

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

DEFENDANTS

County of Residence of First Listed Defendant _____
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question
(U.S. Government Not a Party)
- ☐ 4 Diversity
(Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- | | PTF | DEF | | PTF | DEF |
|---|----------------------------|----------------------------|--|----------------------------|----------------------------|
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated <i>or</i> Principal Place of Business In This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated <i>and</i> Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement	FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes

V. ORIGIN (Place an "X" in One Box Only)

- ☐ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from Another District (specify) ☐ 6 Multidistrict Litigation - Transfer ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

Brief description of cause:

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: ☐ Yes ☐ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE

DOCKET NUMBER

DATE

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

Adam E. Jones, OSB 152429
ajones@selmanlaw.com
SELMAN BREITMAN LLP
111 SW 5th Avenue, Suite 3150
Portland, OR 97204
Telephone: (503) 444-3530
Attorneys for Plaintiff Scottsdale Insurance Company

UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION

SCOTTSDALE INSURANCE COMPANY, Case No.

Plaintiff,

v.

COMPLAINT FOR DECLARATORY
JUDGMENT

OAKMONT, LLC, dba BERKSHIRE
COURT APARTMENTS; W.R.
CONSTRUCTION ENTERPRISES, LLC,
dba WESTERN ARCHITECTURAL; HDL
COMPANY, LLC, dba WESTERN
ARCHITECTURAL; JAMES
HAGERMAN, A PROFESSIONAL
LICENSED ARCHITECT; and ERIC
HOFF, A PROFESSIONAL LICENSED
ARCHITECT,

Defendants.

I. COMPLAINT FOR DECLARATORY JUDGMENT

NOW COMES Plaintiff, Scottsdale Insurance Company ("Scottsdale"), and as its Complaint for Declaratory Judgment against Defendants Oakmont, LLC, dba Berkshire Court Apartments

("Oakmont"), W.R. Construction Enterprises, LLC, dba Western Architectural ("W.R. Construction"), HDL Company, LLC, dba Western Architectural ("HDL Company"), James Hagerman, a professional licensed architect ("Hagerman"), and Eric Hoff, a professional licensed architect ("Hoff"), alleges, states, and avers:

II. JURISDICTION AND VENUE

1. Jurisdiction in this matter is based on diversity of citizenship pursuant to 28 U.S.C. § 1332(a)(1).

2. Scottsdale is, and at all relevant times was, an insurance company organized under the laws of the State of Ohio and with its principal place of business in the State of Arizona. Scottsdale is duly authorized to transact business, and is transacting business in the State of Oregon.

3. Scottsdale is informed and believes and thereon alleges that defendant Oakmont is, and at all relevant times was, an Oregon limited liability company and the owner of the Berkshire Court Apartments, located in the Wilsonville, Oregon.

4. Scottsdale is informed and believes and thereon alleges that defendant W.R. Construction is an inactive Oregon limited liability company, and, at all relevant times, was an Oregon limited liability company authorized to transact business in the State of Oregon.

5. Scottsdale is informed and believes and thereon alleges that defendant HDL Company is an inactive Oregon limited liability company, and, at all relevant times, was an Oregon limited liability company authorized to transact business in the State of Oregon.

6. Scottsdale is informed and believes and thereon alleges that defendant Hagerman is a resident of the state of Oregon.

7. Scottsdale is informed and believes and thereon alleges that defendant Hoff is a resident of the state of Oregon.

8. Scottsdale brings this action to obtain a declaratory judgment that it has no duty to defend or indemnify any of the defendants, in connection with a lawsuit filed in the Circuit Court for the State of Oregon, Clackamas County, styled *Oakmont, LLC v. W.R. Construction Enterprises, et al.*, No. 16CV20521 (the "Underlying Lawsuit"). A true and correct copy of the complaint in the Underlying Lawsuit is attached as **Exhibit A**.

9. Diversity jurisdiction exists because: a) there is complete diversity of citizenship between Scottsdale and defendants; and b) the amount in controversy, including the potential costs of defending and indemnifying defendants, exceeds \$75,000.

10. Venue is appropriate under 28 U.S.C. § 1391 because Oakmont, W.R. Construction, and HDL Company conduct or conducted business in the state of Oregon at all relevant times, individual defendants Hagerman and Hoff are Oregon residents, and all of the alleged conduct forming the basis of the Underlying Lawsuit occurred in Oregon.

III. THE UNDERLYING LAWSUIT

11. The complaint in the underlying lawsuit was filed on or about June 28, 2016.

12. Oakmont alleges that it contracted with W.R. Construction and/or HDL Company, each of which are alleged to have been doing business as Western Architectural in May 2008. W.R. Construction and HDL Company are, where appropriate, collectively referred to herein as "Western."

13. Oakmont claims that, pursuant its contract with Western (the "Contract"), Western was to provide services to Oakmont with respect to repair or maintenance work on the

Berkshire Court Apartments (the "Apartments"), an apartment complex consisting of 26 apartment buildings and one clubhouse building.

14. Oakmont alleges that the Contract's scope was expanded to include additional services pursuant to a March 17, 2011 agreement.

15. Oakmont further alleges the following in its complaint:

¶7. The March 17, 2011 Agreement designated James Hagerman as the "Project Architect," "Project Manager," "Lead Investigator" and assigned Hagerman as the person primarily involved in site visits during the remediation project.

...

¶10. During the course of the Project, Western, Hagerman and Hoff performed a variety of services, including but not limited to:

10.1 Preconstruction Services;

10.2 Development of a Project Manual and Addenda #1 through Addenda #4 containing product specifications, details and designs;

10.3 The review and approval of product submittals;

10.4 Review and approval of mock ups;

10.5 Review and approval of change orders, RFI's (requests for information) and substitution requests;

10.6 Observations and reports during the course of construction;

10.7 Construction administration;

10.8 Serving as the interface between the Owner, contractors and material suppliers for the Project; and

10.9 Preparation of a final report containing manufacturer's product installation requirements, product data and appropriate warranties.

...

¶14. Oakmont discovered defects in the quality of the design, construction administration, products, and workmanship relating to the work at the Apartments, including but not limited to:

14.1 Project Manual and Drawings that specified asphalt adhesive flashing and PVC membrane in decking products to be brought into physical contact with each other – a known incompatible condition resulting in liquefaction of the asphalt adhesive by plasticizers off gassing from the PVC.

14.2 Approval of a substitution request that resulted in the combination of two incompatible products, "FortiFlash," an asphaltic adhesive flexible membrane in combination with "Duradek", a vinyl deck material. Hagerman and possibly others at Western reviewed the substitution request and approved the use of these two incompatible products. This has resulted in the liquefaction of the asphalt adhesive from the FortiFlash dripping onto the Duradek membrane.

14.3 Improper penetrations in the Duradek membrane during installation that has resulted in the manufacturer voiding the product warranty and leaving the materials under the Duradek vulnerable to water damage.

14.4 Approval of a change in the installation of the Duragek membrane at the door sill that resulted in the elimination of a door sill pan and proper integration of the Duradek membrane with the door sill leaving a path for water to migrate from the deck into the framing.

14.5 Failure to properly perform the observation services to notice the defective installations and to advise the contractor to correct the defective installations.

...

¶15. The faulty construction, workmanship, design, construction administration, improper installation, and/or non-compliance with approved building standards and/or manufacturers' guidelines and specifications are the cause of property damage at the landings of the Apartments, including but not limited to, corrosion, rusting, deterioration, to the landings components, the voiding of the manufacturer's warranty for the Duradek product, and dripping tar like substance that has damaged the Duradek material resulting in Duradek voiding its manufacturer's warranty, compromising the Duradek material, and resulting in a tar like

substance being tracked into the apartment units causing further property damage to the carpets in the apartment units

...

¶17. The damages are a direct result of defects in design and/or construction practices not meeting generally accepted standards of care in the industry. At the time the services were performed by Defendants, the product incompatibility between products made of PVC and flashing products containing asphaltic adhesives, as more particularly alleged in and ¶¶14.1 and 14.2 above, was widely known in the design and construction community for over a decade.

....

16. Based on the foregoing, Oakmont alleges two claims for relief; (1) Negligence and (2) Breach of Contract. For each claim for relief Oakmont asserts that it is entitled to a judgment against defendants, jointly and severally, for an amount not expected to exceed \$1,175,926, pre- and post-judgment interest at nine percent per annum, and Oakmont's attorney fees and costs.

IV. THE SCOTTSDALE POLICIES

17. Scottsdale issued to named insured W.R. Construction Enterprises, LLC, dba Western Architectural, two consecutive general commercial liability policies numbered, respectively: BCS0027611 (04/21/2012 – 04/21/2013) (the "2012 Policy") and BCS0030045 (04/21/2013 – 04/21/2014) (the "2013 Policy") (collectively, the "Scottsdale Policies"). True and correct copies of the Scottsdale Policies are attached hereto as **Exhibits B** and **C**, respectively, and incorporated herein by reference).

18. The Scottsdale Policies are each issued with an Insurance Services Office ("ISO") Commercial General Liability Coverage Form CG 00 01 (12/07), which provides in relevant part:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

* * *

SECTION I – COVERAGES**COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of “bodily injury” or “property damage” to which this insurance applies. We will have the right and duty to defend the insured against any “suit” seeking those damages. However, we will have no duty to defend the insured against any “suit” seeking damages for “bodily injury” or “property damage” to which this insurance does not apply. We may, at our discretion, investigate any “occurrence” and settle any claim or “suit” that may result. But:

- (1)** The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2)** Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b.** This insurance applies to “bodily injury” and “property damage” only if:
- (1)** The “bodily injury” or “property damage” is caused by an “occurrence” that takes place in the “coverage territory”; and
 - (2)** The “bodily injury” or “property damage” occurs during the policy period; and
 - (3)** Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no “employee” authorized by you to give or receive notice of an “occurrence” or claim, knew that the “bodily injury” or “property damage” had occurred, in whole or in part. If such a listed insured or authorized “employee” knew, prior to the policy period, that the “bodily injury” or

"property damage" had occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

* * *

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

* * *

SECTION V – DEFINITIONS

* * *

13. “Occurrence” means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

* * *

17. “Property damage” means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the “occurrence” that caused it.

19. Each Policy contains the following standard ISO exclusions (including the relevant definitions), including the following:

This insurance does not apply to:

* * *

b. Contractual Liability

“Bodily injury” or “property damage” for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an “insured contract,” provided the “bodily injury” or “property damage” occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an “insured contract,” reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of “bodily injury” or “property damage,” provided;
 - (a) Liability to such party for, or for the cost of, that party’s defense has also been assumed in the same “insured contract”; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

* * *

j. Damage To Property

“Property damage” to:

* * *

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the “property damage” arises out of those operations.

* * *

- (6) That particular part of any property that must be restored, repaired or replaced because “your work” was incorrectly performed on it.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed

under a side track agreement.

* * *

k. **Damage to Your Product**

“Property damage” to “your product” arising out of it or any part of it.

* * *

m. **Damage To Impaired Property Or Property Not Physically Injured**

“Property damage” to “impaired property” or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in “your product” or “your work”; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

* * *

SECTION V – DEFINITIONS

* * *

8. “Impaired property” means tangible property, other than “your product” or “your work”, that cannot be used or is less useful because:

a. It incorporates “your product” or “your work” that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement; if such property can be restored to use by:

a. The repair, replacement, adjustment or removal of “your product” or “your work”; or

b. Your fulfilling the terms of the contract or agreement.

* * *

16. “Products-completed operations hazard”:

- a. Includes all “bodily injury” and “property damage” occurring away from premises you own or rent and arising out of “your product” or “your work” except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, “your work” will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include “bodily injury” or “property damage” arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the “loading or unloading” of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

* * *

21. "Your product":

a. Means

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
(1) You, [...]

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions. [...]

22. "Your work"

a. Means:

- (1) Work or operations performed by you or on your behalf;
and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work," and
- (2) The providing of or failure to provide warnings or instructions.

20. Each Scottsdale Policy contains a Continuing or Ongoing Damage Exclusion, issued on Form GLS-281s (09/07), which provides:

CONTINUING OR ONGOING DAMAGE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY INSURANCE
FORM—COVERAGE FOR OPERATIONS OF DESIGNATED CONTRACTOR

The following exclusion is added to subsection **2. Exclusions** of **SECTION I—COVERAGE**:

Continuing Or Ongoing Damage

1. The "property damage" first occurred, began to occur or is alleged to have occurred or been in the process of occurring, to any degree, in whole or in part, prior to the inception date of this policy.
2. The "property damage" is indiscernible from other damage that is incremental, continuous or progressive damage arising from an "occurrence" which first occurred, began to occur or is alleged to have occurred, to any degree, in whole or in part, prior to the inception date of this policy.

21. Each Scottsdale Policy contains a Prior Completed Work Exclusion, issued on Form GLS-296s (07/08), which provides:

PRIOR COMPETED WORK EXCLUSION – SPECIFIED DATE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following exclusion is added to subsection **2. Exclusions** of **SECTION I—COVERAGE, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

This insurance does not apply to "bodily injury" or "property damage" arising out of, in part of in whole, "your work" completed prior to 04/21/2012.

"Your work" will be deemed completed at the earliest of the following times:

- a. When all of the work required by your contract has been completed.
- b. When all of the work to be done at a job site has been completed if your contract calls for work at more than one job site.
- c. When that part of the work done at a job site has been put to its intended use by any person or organization.
- d. When a certificate of completion, or a certificate of occupancy, or other

similar document is issued.
e. When you abandon the work .
Work that may need service, maintenance, correction, repair, or replacement, but which is otherwise complete, will be deemed completed.

22. Each Scottsdale Policy contains a Designated Professional Services Exclusion, issued on Form CG 21 16 (07/98), which provides:

EXCLUSION – DESIGNATED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description Of Professional Services:

ALL PROFESSIONAL SERVICES OF ANY INSURED

With respect to any professional services shown in the Schedule, the following exclusion is added to Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** and Paragraph 2., **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" due to the rendering of or failure to render any professional service.

23. Each Scottsdale Policy contains a Punitive or Exemplary Damage Exclusion, issued on Form UTS-74g (08/95), which provides:

PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION

This endorsement changes the policy.

In consideration of the premium charged, it is agreed that this policy does not apply to a claim of or indemnification for punitive or exemplary damages.

Punitive or exemplary damages also include any damages awarded pursuant to statute in the form of double, treble or other multiple damages in excess of compensatory damages.

If suit is brought against any insured for a claim falling within coverage provided under

the policy, seeking both compensatory and punitive or exemplary damages, then the Company will afford a defense to such action; however, the Company will have no obligation to pay for any costs, interest or damages attributable to punitive or exemplary damages.

24. The 2012 Policy contains a Designated Work Exclusion, issued on Form CG 21 34 (01/87), which provides:

EXCLUSION – DESIGNATED WORK

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description of your work:

All of "your work" that both:

1. Is neither in whole or in part within the states of Arizona, California, Colorado, Louisiana, Nevada, Texas or Washington; and
2. Consists of a (an):
 - a. Tract or subdivision of single or multi-family dwelling(s);
 - b. Townhouse, townhome, or other multi-unit habitational building(s), except apartments;
 - c. Residential condominiums or residential cooperatives; or
 - d. Multi-use/mixed use projects that include any of the occupancies described in items a, b and c above.

That does now, or is designed to include, more than twelve (12) residential units in total.

But this does not include such operations conducted upon a particular structure when all of the operations conducted by you or on your behalf upon such structure meet the following criteria:

- 1) The work is for remodeling or repair only; and
- 2) The work is being performed on an existing structure that already has a Certificate of Occupancy at the time that such operations first commenced.

This insurance does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard" and arising out of "your work" shown in the

Schedule.

25. The 2012 Policy contains a Designated Ongoing Operations Exclusion, issued on Form CG 21 53 (01/96), which provides:

EXCLUSION – DESIGNATED ONGOING OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description Of Designated Ongoing Operation(s):

All operations upon any structure that is or is part of a(an):

- a. Tract or subdivision of single or multi-family dwelling(s);
- b. Townhouse, townhome, or other multi-unit habitational building(s), except apartments;
- c. Residential condominiums or residential cooperatives; or
- d. Multi-use/mixed use projects that include any of the occupancies described in items a, b and c above.

That does now, or is designed to include, more than twelve (12) residential units in total.

But this does not include such operations conducted upon a particular structure when all of the operations conducted by you or on your behalf upon such structure meet the following criteria:

- 1) The work has been for remodeling or repair only; and
- 2) The work has been performed on an existing structure that already has a Certificate of Occupancy at the time that such operations first commenced.

The Specified Location (If Applicable):

Any location that is neither in whole or in part within the states of Arizona, California, Colorado, Louisiana, Nevada, Texas or Washington.

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of the

ongoing operations described in the Schedule of this endorsement, regardless of whether such operations are conducted by you or on your behalf or whether the operations are conducted for yourself or for others.

Unless a "location" is specified in the Schedule, this exclusion applies regardless of where such operations are conducted by you or on your behalf. If a specific "location" is designated in the Schedule of this endorsement, this exclusion applies only to the described ongoing operations conducted at that "location".

For the purpose of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

26. The 2013 Policy contains a Multi-Unit Habitational Conversion Exclusion, issued on Form GLS-282s (04/08), which provides:

MULTI-UNIT HABITATIONAL CONVERSION EXCLUSION

This insurance modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance does not apply to "property damage" included in the "products-completed operations hazard" to any structure(s) converted, including all operations necessary on the job site for the conversion, into:

1. A residential townhouse, townhome, or other multi-unit habitational building(s) designed or developed for sale to an individual or multiple owners;
2. Residential condominiums or residential cooperatives; or
3. Multi-use or mixed use projects which include any of the occupancies described in items 1. and 2. above, regardless if the conversion took place prior to, during or after the policy period.

However, this exclusion shall not apply to any of "your work" performed on such structure(s), including operations necessary on the job site for the conversion, if "your work" was not conducted as part of the conversion operations or related in any way to the conversion operations or included within those conversion operations

27. The 2013 Policy contains a Residential Building Project Exclusion, issued on Form UTS-322s (01/09), which provides:

RESIDENTIAL BUILDING PROJECT EXCLUSION

This insurance modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM ERRORS AND OMISSIONS COVERAGE PART

This insurance does not apply to damages because of "bodily injury", "property damage", personal and advertising injury" or "error or omission" arising from "your work" on, in connection with or in any way related to a "residential project."

For those items identified below with an "x" in the corresponding box, this exclusion shall not apply to "your work":

* * *

- X** 6. That is included within the following Class Code(s), Business Description(s) or designated operations: **LANDSCAPING**

For purposes of this endorsement:

"Residential project" shall mean any building construction project, including structural repair, renovation or remodeling operations, involving one or more single-family homes, townhouses, townhomes, residential condominiums or cooperatives, duplexes, any type of structure converted into condominiums, or any other type of domicile intended for individual or collective residential ownership, and shall include all buildings appurtenant these structures.

"Residential project" shall also include any building construction project, including structural repair, renovation or remodeling operations, involving mixed-use buildings which contain both residential units and commercial space, and shall include all buildings appurtenant these structures.

"Residential project shall not mean apartments unless "your work involves converting apartments into condominiums or cooperatives or into any other type of domicile intended for individual or collective residential ownership.

We shall have no duty or obligation to provide or pay for the investigation or defense of any loss, cost expense, claim or "suit excluded by this endorsement.

All other terms and conditions of this policy remain unchanged.

V. GROUND FOR DECLARATORY JUDGMENT

28. Scottsdale refers to Paragraphs 1 through 1-26 of this Complaint and incorporates the allegations set forth therein in full in this cause of action.

29. Scottsdale contends that it has no obligation under the Scottsdale Policies to provide Western, Hagerman and/or Hoff a defense in the Underlying Lawsuit.

30. On information and belief, Scottsdale alleges that Western, Hoff and/or Hagerman dispute the foregoing contention, namely, that one or more of the above-cited terms, conditions and/or exclusions fully removes the potential for coverage of the Underlying Litigation under the Scottsdale Policies.

31. An actual controversy has arisen and now exists between Scottsdale, on the one hand, and Western, Hagerman, and/or Hoff, on the other hand, with respect to whether Scottsdale has a duty to defend Western against the Underlying Litigation.

32. Given the above-stated controversy, Scottsdale hereby respectfully requests a judicial determination and declaratory judgment that Scottsdale is not obligated under the Scottsdale Policies to provide Western, Hagerman and/or Hoff with a defense against the Underlying Lawsuit.

33. Scottsdale contends that it has no obligation under the Scottsdale Policies to indemnify Western, Hagerman and/or Hoff for any judgment that may, or settlement that may be reached, with respect to the Underlying Litigation.

34. On information and belief, Scottsdale alleges that Western, Hagerman and/or Hoff dispute the foregoing contention, namely, that one or more of the above-cited terms, conditions and/or exclusions fully removes the potential for coverage for indemnity under the Scottsdale

Policies with respect to the Underlying Litigation. Further, Scottsdale alleges that Oakmont disputes whether indemnity coverage is available to Western, Hagerman and/or Hoff under the Scottsdale Policies.

35. An actual controversy has arisen and now exists between Scottsdale, on the one hand, and Western, Hagerman, Hoff and/or Oakmont, on the other hand, with respect to whether Scottsdale has a duty to indemnify Western, Hagerman and/or Hoff for any judgment that may entered, or settlement that may be reached, with respect to the Underlying Litigation.

36. Given the above-stated controversy, Scottsdale hereby respectfully requests a judicial determination and declaratory judgment that Scottsdale is not obligated under the Scottsdale Policies to indemnify Western, Hagerman and/or Hoff for any judgment that may entered, or settlement that may be reached, with respect to the Underlying Litigation.

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WHEREFORE, Scottsdale respectfully requests the following relief:

- A. Declare that Scottsdale has no duty to defend Western, Hagerman and/or Hoff in the Underlying Action;
- B. Declare that Scottsdale has no duty to indemnify Western, Hagerman and/or Hoff with respect to the Underlying Action; and
- C. Grant any other relief that this Honorable Court deems just and equitable under the circumstances, including an award of costs. Such other and further relief as the Court deems just and proper.

DATED: September 27, 2017

SELMAN BREITMAN LLP

By: /s/Adam E. Jones

ADAM E. JONES, OSB No. 152429
Attorneys for Scottsdale Insurance Company

EXHIBIT A

IN THE CIRCUIT COURT FOR THE STATE OF OREGON
FOR THE COUNTY OF CLACKAMAS

OAKMONT, LLC, an Oregon limited liability company, doing business as **BERKSHIRE COURT APARTMENTS**,

Plaintiff,

v.

W.R. CONSTRUCTION ENTERPRISES, LLC, an Oregon limited liability company, doing business as **WESTERN ARCHITECTURAL; HDL COMPANY, LLC**, an Oregon limited liability company, doing business as **WESTERN ARCHITECTURAL; JAMES HAGERMAN**, a professional licensed architect; and **ERIC HOFF**, a professional licensed architect,

Defendants.

Case No. _____

COMPLAINT
(Negligence and Breach of Contract)

Amount of Prayer: \$1,175,926.00

Filing fee: ORS 21.160(1)(d) - \$793

NOT SUBJECT TO MANDATORY ARBITRATION

JURY TRIAL REQUESTED

CERTIFICATION OF COMPLIANCE WITH ORS § 701

To the extent applicable and in an effort to avoid this litigation, pursuant to ORS § 701.565, Oakmont sent Defendant Western Architectural written notice identifying the defects alleged herein, and making the Apartments (defined below) available to Defendants for inspection under the procedures described in ORS § 701.565 *et seq.*

CERTIFICATION OF COMPLIANCE WITH ORS § 31.300

Plaintiff certifies that a licensed construction design professional qualified to testify as to the standard of care applicable to the alleged facts is available and willing to testify that the alleged conduct of the above-named construction design professionals failed to

1 meet the standard of professional care applicable to the construction design professional in
 2 the circumstances alleged; and the alleged conduct was a cause of the claimed damages,
 3 losses or other harm.

4 COMPLAINT

5 Plaintiff alleges as follows:

6 1.

7 At all material times, Oakmont, LLC., ("Oakmont" or "Plaintiff") was and is an Oregon
 8 limited liability company. Oakmont is the owner of the Berkshire Court Apartments
 9 located in the City of Wilsonville, Clackamas County, Oregon. The Apartments consists of
 10 26 buildings containing 266 apartment units and a clubhouse building (the "Apartments").

11 2.

12 At all material times, Defendant W.R. Construction Enterprises, LLC., doing business
 13 as Western Architectural ("Western"), was an Oregon limited liability company, and was
 14 authorized to conduct business within the State of Oregon. At all material times, Defendant
 15 HDL Company, LLC., was an Oregon limited liability company, also doing business as
 16 Western Architectural ("Western"). Western was engaged in the business of providing
 17 Architectural Services and construction management services.

18 3.

19 Defendant James Hagerman ("Hagerman") is an architect licensed by the State of
 20 Oregon who was formerly employed by Western. Defendant Eric Hoff ("Hoff") is an
 21 architect licensed by the State of Oregon who was formerly a principal of Western.

22 4.

23 On May 6, 2008, Western provided Oakmont with a Proposal for Architectural &
 24 Building Envelope Consulting Services in connection with work that needed to be
 25 performed on the Apartments (the "Proposal"). On May 6, 2008, Oakmont accepted the
 26 ///

1 Proposal which was countersigned by Western on May 8, 2008. A copy of the Proposal is
2 attached hereto as **Exhibit A** and is incorporated herein.

3 5.

4 Western performed services for Oakmont commencing in May 2008 through
5 September 2012.

6 6.

7 By Agreement dated March 17, 2011, the scope of the original Proposal was
8 expanded to include additional services (the "March 17, 2011 Agreement"). A copy of the
9 executed March 17, 2011 Agreement is attached as **Exhibit B** and incorporated herein.

10 7.

11 The March 17, 2011 Agreement designated James Hagerman as the "Project
12 Architect," "Project Manager," "Lead Investigator" and assigned Hagerman as the person
13 primarily involved in site visits during the remediation project.

14 8.

15 The March 17, 2011 Agreement provides for an award of attorney fees incurred in
16 any court proceeding arising out of or related to the March 17, 2011 Agreement.

17 9.

18 As part of the services, Western delivered a Project Manual, including drawings, for
19 Berkshire Court Apartment Envelope Repairs. Western also delivered Addenda #1 through
20 Addenda #4 to the Project Manual. The Project Manual was stamped with the professional
21 architectural stamp of Hoff and included drawings which were also stamped by Hoff.

22 10.

23 During the course of the Project, Western, Hagerman and Hoff performed a variety
24 of services, including but not limited to:

25 ///

26 ///

- 10.1 Preconstruction Services;
- 10.2 Development of a Project Manual and Addenda #1 through Addenda #4 containing product specifications, details and designs;
- 10.3 The review and approval of product submittals;
- 10.4 Review and approval of mock ups;
- 10.5 Review and approval of change orders, RFI's (requests for information) and substitution requests;
- 10.6 Observations and reports during the course of construction;
- 10.7 Construction administration;
- 10.8 Serving as the interface between the Owner, contractors and material suppliers for the Project; and
- 10.9 Preparation of a final report containing manufacturer's product installation requirements, product data and appropriate warranties.

11.

Oakmont discovered that a tar like substance was beginning to drip in and around the landings on many of the landings at the Apartments.

12.

Oakmont hired Hagerman to investigate the cause of the dripping tar like substance in and around the landings at the Apartments.

13.

Hagerman issued a report entitled "Tar" Investigation #1". In the Hagerman report, Hagerman finds:

"[w]here the "FortiFlash" had been pressed or rolled in place it became well adhered to the vinyl deck covering and a reaction appears to have taken place where the modified asphalt became liquid enough to drain by gravity and soil the deck coating below. This activity appear (sic) to be due to chemicals, in the deck covering that soften the vinyl, migrating into the modified tar coating causing it to liquify (sic)."

14.

Oakmont discovered defects in the quality of the design, construction administration, products, and workmanship relating to the work at the Apartments, including but not limited to:

14.1 Project Manual and Drawings that specified asphalt adhesive flashing and PVC membrane in decking products to be brought into physical contact with each other – a known incompatible condition resulting in liquefaction of the asphalt adhesive by plasticizers off gassing from the PVC.

14.2 Approval of a substitution request that resulted in the combination of two incompatible products, "FortiFlash," an asphaltic adhesive flexible membrane in combination with "Duradek", a vinyl deck material. Hagerman and possibly others at Western reviewed the substitution request and approved the use of these two incompatible products. This has resulted in the liquefaction of the asphalt adhesive from the FortiFlash dripping onto the Duradek membrane.

14.3 Improper penetrations in the Duradek membrane during installation that has resulted in the manufacturer voiding the product warranty and leaving the materials under the Duradek vulnerable to water damage.

14.4 Approval of a change in the installation of the Duradek membrane at the door sill that resulted in the elimination of a door sill pan and proper integration of the Duradek membrane with the door sill leaving a path for water to migrate from the deck into the framing.

14.5 Failure to properly perform the observation services to notice the defective installations and to advise the contractor to correct the defective installations.

///

15.

The faulty construction, workmanship, design, construction administration, improper installation, and/or non-compliance with approved building standards and/or manufacturers' guidelines and specifications are the cause of property damage at the landings of the Apartments, including but not limited to, corrosion, rusting, deterioration, to the landings components, the voiding of the manufacturer's warranty for the Duradek product, and dripping tar like substance that has damaged the Duradek material resulting in Duradek voiding its manufacturer's warranty, compromising the Duradek material, and resulting in a tar like substance being tracked into the apartment units causing further property damage to the carpets in the apartment units.

16.

Defendants had a duty to Oakmont to use reasonable care in performing their work on the Apartments.

17.

The damages are a direct result of defects in design and/or construction practices not meeting generally accepted standards of care in the industry. At the time the services were performed by Defendants, the product incompatibility between products made of PVC and flashing products containing asphaltic adhesives, as more particularly alleged in ¶¶ 14.1 and 14.2 above, was widely known in the design and construction community for over a decade.

FIRST CLAIM FOR RELIEF

• Negligence •

18.

Plaintiff realleges and incorporates by reference the allegations contained in ¶¶ 1-17 above.

///

19.

The Defendants, jointly and severally, were responsible for design and construction services at the Apartments.

20.

Oakmont has discovered defects and damage in the quality of the design and workmanship of the envelope repairs at the Apartments, as more particularly alleged in ¶¶ 14 and 15 above. More specifically, and based upon information and belief and the current status of Oakmont's investigation, Oakmont has discovered defects in the services and work performed in that Western, Hagerman, and Hoff failed to provide:

20.1 adequate design details and specifications for the landing;

20.2 adequate site inspection and observation which resulted in the deficiencies noted in ¶ 15 above; and,

20.3 accurate responses to product submittals and substitution requests that resulted in the installation of incompatible products as alleged in ¶ 14 above.

21.

The Defendants owed a reasonable duty of care to Oakmont, in performing their work at the Apartments and it was foreseeable that the Defendants' failure to use reasonable care would cause injury to Oakmont and that the damages were reasonably certain to occur if the Defendants acted negligently.

22.

As a result of the Defendants' breaches, Oakmont has incurred and is entitled to recover damages in the approximate amount of \$1,175,926.00, as more particularly described below and the full extent of which will be proven at trial:

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///

22.1 The cost of diagnosing problems and developing a scope of repair in a preliminary estimated amount of \$7,526.00, but in an exact amount to be proven at trial and an amount which may continue to increase with the passage of time;

22.2 The cost of repair in the approximate amount of \$995,000.00, but in an exact amount to be proven at trial, and an amount which may continue to increase with the passage of time;

22.3 The total cost of a third-party construction oversight professional to obtain permits; provide architectural services, act as the Plaintiff's representative during the repair work; and, document the repair work to ensure that the work complies with applicable industry standards, applicable building code, laws, ordinances, rules, regulations, applicable manufacturers' instructions and specifications, and the plans and specifications in an anticipated sum of \$67,000.00, but in an exact amount to be proven at trial, which amount may continue to increase with the passage of time;

22.4 Loss of rental income and tenant concessions during the course of repairs, estimated to be \$106,400; and,

22.5 Prejudgment interest at nine percent (9%) per annum.

23.

The damages are a direct result of the defects in the design and construction practices which do not meet generally acceptable standards within the construction industry.

24.

As a direct cause of the Defendants' negligence, property damage has occurred at the Apartments. Repairs and remediation are necessary to correct the deficiencies and damages and to prevent further property damage and loss of use. Accordingly, the Plaintiff

1 has and will continue to suffer losses in an amount to be proven at trial, but presently not
 2 expected to exceed \$1,175,926.00 as set forth more specifically in ¶ 22 above. Oakmont's
 3 damages were foreseeable and reasonably certain to occur if Defendants acted negligently.

4 **SECOND CLAIM FOR RELIEF**

5 **• Breach of Contract •**

6 **25.**

7 Oakmont realleges and incorporates by reference the allegations contained in
 8 ¶¶ 1-24 above.

9 **26.**

10 The Defendants, and each of them, breached their contract with Oakmont by failing
 11 to fulfill their contractual duties to perform services free of defect and/or to properly
 12 supervise the repair of the Apartments in one or more of the following particulars alleged
 13 in ¶¶ 14 and 15 above, which caused damage to the Apartments.

14 **27.**

15 As a direct cause of the Defendants' breach of contract, property damage has
 16 occurred in the Apartments. Repairs and remediation are necessary to correct the
 17 deficiencies and damages and to prevent further property damage and loss of use.
 18 Accordingly, Oakmont has and will continue to suffer losses in an amount to be proven at
 19 trial, but presently not expected to exceed \$1,175,926.00 as set forth more specifically in
 20 ¶ 22 above. The damages were foreseeable and reasonably certain to occur if Defendants
 21 breached the contract.

22 **28.**

23 Pursuant to the contract at issue and to the extent set forth in therein, Plaintiff is
 24 entitled to recovery of its attorney fees and costs incurred herein.

25 ///

26 ///

29.

WHEREFORE, Plaintiff prays for judgment against the Defendants, jointly and severally, as follows:

- (1) On its First Claim for Relief in an amount to be proven at trial but not expected to exceed \$1,175,926.00 with pre- and post-judgment interest thereon at the rate of nine percent (9%) per annum, plus Plaintiff's reasonable attorney fees and costs.
- (2) On its Second Claim for Relief in an amount to be proven at trial but not expected to exceed \$1,175,926.00 with pre- and post-judgment interest thereon at the rate of nine percent (9%) per annum; and,
- (3) For such other relief as the court deems just and equitable.

DATED: June 24, 2016.

LANDYE BENNETT BLUMSTEIN LLP

By:

Stuart K. Cohen, OSB #851738
Of Attorneys for Plaintiff

Exhibit A



PROPOSAL FOR
ARCHITECTURAL & BUILDING ENVELOPE CONSULTING SERVICES

For

BERKSHIRE COURT APARTMENT HOMES
WILSONVILLE, OREGON

Submitted To

MR. EDWARD PFLUEGER

By

WESTERN ARCHITECTURAL
BUILDING SCIENCE CONSULTANTS

On

6 MAY 2008

Portland Office 503.297.0665

10220 SW Greenburg Road – Suite 125
Portland, OR 97223
westernarchitectural.com

Las Vegas Office: 702.917.7947

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GENERAL SCOPE OF WORK

The scope of the following consulting services apply to The Berkshire Court Apartment Homes, a multi family apartment complex consisting of 266 units in 26 buildings and a clubhouse/office, per the site plan provided to Western Architectural and located in Wilsonville, Oregon.

Western Architectural will provide technical consulting services, as qualified herein, to assist as necessary in the Building Envelope Investigation and Restoration. Western Architectural will complete a preliminary construction plan review, assessment of the ventilation systems (kitchen range hood, bath exhaust fans, utility exhaust fan, clothes dryer exhaust, spa exhaust/supply), conduct a forensic analysis of the existing building envelope conditions, prepare Architectural Details and Construction Documents for the building envelope repairs; apply for Required Permits; solicit bids from qualified contractors and assist in the Construction Administration of the Project through periodic on-site observations of the building envelope repairs; Document construction defects, code violations and prepare a comprehensive analytical report documenting findings during the building envelope restoration.

These services are offered to Berkshire Court Apartment Homes, hereinafter referred to as Client.

PROJECT TEAM

Project Architect: Eric Hoff
Project Manager: David York
Lead Investigator: Nick Dente

SCOPE OF WORK BY PHASE

PHASE 1: PRELIMINARY AS BUILT PLAN REVIEW AND INITIAL INSPECTION

- A. Western Architectural will complete the following preliminary plan review (by a State of Oregon licensed architect) to familiarize our staff with the construction materials and detailing:
 - 1. Weather Resistant Barriers (WRB) and Flashing Assemblies
 - 2. Ventilation Systems
 - 3. Window Installation
 - 4. Exterior Wall Coverings
 - 5. Below Grade Waterproofing
 - 6. Roof Type and Application

**Timeline: 2-days to complete plan review*

- B. Inspection, Testing and Photo Documentation
 - 1. Complete Initial Onsite Assessment of all 26 Buildings and clubhouse/office with Limited Invasive Testing. Invasive testing entails removal of exterior envelope components including siding, weather resistant barrier (WRB), flashing assemblies, roof shingles and below grade waterproofing. The invasive phase of our inspections

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allows us to examine concealed conditions and verify the existence of water damage and construction defects. WA will repair the test locations in a weatherproof manner.

2. Collect Moisture Intrusion Data using Probe Moisture Meters on all 26 buildings and clubhouse/office.
3. Access individual units to document and examine areas where reported water intrusion has or is currently taking place.
4. Assessment of the ventilation systems (kitchen range hood, bath exhaust fans, utility exhaust fan, clothes dryer exhaust, spa exhaust/supply)

**Timeline: Two Weeks to complete inspection and testing*

PHASE 2: ARCHITECTURAL DETAILS, CONSTRUCTION DOCUMENTS

- A. Western Architectural will create necessary architectural details for the following items:
 1. Weather Resistant Barrier
 2. Vent/louver assemblies
 3. Ventilation system modification as required
 4. Flashing (metallic and bitumen self adhered)
 5. Siding assemblies
 6. Below grade waterproofing
 7. Roofing materials
 8. Painting as required
- B. Create construction documents for the purpose of obtaining permits and soliciting bids from qualified contractors:
 1. Site Plans w/ schedules and general notes
 2. Building elevations
 3. Detail Sheets
 4. Instructions to bidders
 5. Project Manual with Construction Specification Institute (CSI) architectural divisions, with summary of work and related sections of work.

**Timeline: 2-weeks to complete architectural details and construction documents*

PHASE 3: CONSTRUCTION ADMINISTRATION

- A. Permits: Western Architectural will acquire necessary permits for the building envelope restoration from the City of Wilsonville.
- B. Bidding: Western Architectural will solicit bids from qualified contractors for the building envelope remediation. Assess the viability of the bidding contractors, review the proposed scopes of work as bid, analyze any deviations or exceptions to the specified scope, recommend, review and comment as necessary on any value engineering offers.

**Timeline for permitting: Securing permits varies in jurisdictions, typically we are able to secure permits within 2-weeks of submittal*

**Timeline for bid solicitation: 3-weeks from Pre bid mandatory walk through to bid submittal*

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PHASE 4: FIELD OBSERVATIONS

- A. Field Observations:
1. Provide scheduled site observations to verify conformance with approved drawings, specifications and building codes. Document the condition of the buildings as found during the restoration process. Our proposal is based on two (2) weekly observations and anticipates an approximate 12-month duration (if the project requires complete reside) for the building envelope restoration.
- B. Summary of Findings and Recommendations
1. Issue weekly, written reports of observations made as a result of each Field Observation to the owner and contractors. Work with the project contractor to insure project is progressing per schedule and to the contract documents. Reports will indicate any deviations from architectural intent, approved details, building code and industry Standards. In the event that corrective work is required, we will recommend remedial procedures to correct the work as necessary.
 2. Review and approve contractor draw requests.

**Timeline: depending on the scope of work, 10 to 14 months for repairs*

PHASE 5: FINAL REPORT

- A. In this phase, we compile all the information into an easily referenced, comprehensive analytical report. This documentation package will include the photographic record of the repair process including any written analysis of our inspection findings that may have occurred during Phase 4. Manufacturers product installation requirements, defect and damage mapping on elevation plans, data sheets, and appropriate building code references will also be included.

**Timeline: 2-weeks from substantial completion of the project*

FEES & EXPENSES SUMMARY

<u>WORK PHASE</u>	<u>FEES</u>
Phase 1 – Plan Review and Forensic Assessment	<u>\$ 29,400.00</u>
PHASE 1 TOTAL	\$ 29,400.00
Phase 2 – Architectural Details and Construction Documents	<u>\$ 9,075.00</u>

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PHASE 2 TOTAL	\$ 9,075.00
Phase 3 – Construction Administration	
Permits	<u>\$ 2,640.00</u>
Bid Solicitation/Review	<u>\$ 3,960.00</u>
PHASE 3 TOTAL	\$ 6,600.00
Phase 4 – Project Administration	
2 Site Visits Per Week	<u>\$ 68,640.00</u>
Project Administration	<u>\$ 17,160.00</u>
PHASE 4 TOTAL	\$ 85,800.00
Phase 5– Final Report Documents	
	<u>\$ 13,200.00</u>
PHASE 5 TOTAL	\$ 13,200.00
PROJECT TOTAL	\$ 144,075.00

BASIS OF CHARGES

FEES AND MINIMUM CHARGES:

Base Fee	\$165.00 per Hour
Office Work	One Half Hour
Out-Of Office Work in Metro Area	Two Hours
Field Work in Metro Area	Two Hours
Work Outside of Metro Area	Eight Hours
Legal Fees – Mediation, Deposition, Trial	\$200.00 per Hour

BILLING AND PAYMENT PROCEDURES

For Western Architectural to proceed, we will need to receive a signed copy of this agreement. Western Architectural will invoice the Client on a monthly basis for services provided. The monthly invoices from Western Architectural will be approved and paid within thirty days of the receipt of invoice. It is further agreed that Western Architectural will not proceed forward with any contracted services if those undisputed funds are not received in our office within the agreed upon time frame.

It is also agreed that should it become necessary to spend time or incur fees, costs or expenses in order to collect any amount owed, the prevailing party will be entitled to said sums, including attorney fees and costs, whether or not suit or appeal is filed. If it is necessary to initiate legal action, venue will be in Multnomah County.

Payments should be made Payable to Western Architectural.

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TERMINATION OF ENGAGEMENT

Since our engagement to provide services to you requires your mutual confidence, trust and understanding, it is agreed that either party may sever the relationship without cause at any time. Such termination of the agreement to provide services will not affect your responsibility to pay for services authorized and rendered, including all costs incurred up to the date we receive or give you notice of termination, or for any further work required of us in order to facilitate the orderly conclusion of any work in process at the time of termination. Either party may terminate this engagement for cause, upon written notice of a material breach and a failure to promptly cure. Upon termination for cause, each party shall retain all rights against the other arising out of performance completed or required under this agreement.

RETENTION OF FILES

Generally, Western Architectural keeps and stores our client files for two years after we conclude or terminate our engagement. After that period the files will be destroyed or forwarded to you at your request. Client and Western Architectural jointly agree that the terms of this letter may not be modified except in writing and signed by each party.

All drawings, specifications, bid packages, inspection reports and other documents prepared or created by Western Architectural for Client under this agreement are for use solely with respect to this Project, and Western Architectural shall retain all rights in all Documents provided under common law, statutory provisions and intellectual property protections, including copyrights. Client is granted a nonexclusive and nontransferable/nonassignable limited license to reproduce and use the Documents solely for purposes of repairing, reconstructing or maintaining the Project and no other license is granted.

If this agreement is terminated prior to the project completion Client shall cease from making use of Western Architectural's documents unless Client acquires written agreement from Western Architectural. Following the termination date Client will indemnify Western Architectural from further use of documents developed by Western Architectural to complete this project or utilize documents on any other project.

LIMITATION OF LIABILITY

To the extent permitted by law, Client agrees to limit Western Architectural's liability for Client damages to the limits of Western Architectural's insurance coverage on account of any injury or damage to person or property arising out of Western Architectural's services performed under this agreement. This limitation shall apply regardless of the cause of the action or legal theory pleaded or asserted.

Nothing contained in this agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Client or Western Architectural. Western Architectural services under this agreement are being performed solely for the Client benefit, and no other person or entity shall have any claim against Western Architectural because of this agreement or the performance of services hereunder.

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Western Architectural's work scope encompasses work performed directly by their employees only and any additional costs for engineer reporting or any other outside consultant reporting will be an additional cost (when needed, with your approval), which will be invoiced separately.

INSURANCE COVERAGE

Western Architectural currently maintains \$2,000,000 in general liability coverage and \$2,000,000 in professional liability coverage. If these limits are not adequate, the Client shall pay the premium for more coverage, up to the insurable limits of Western Architectural. Western Architectural will provide to the Client copies of Certificates of Insurance for both General Liability and Professional Liability.

Additional insured parties, Berkshire Court Apartments, Guardian Management, LLC, and their owners, members, managers, officers, employees, and agents as additional insured parties will be added to this insurance.

AGREEMENT

Please let us know how you wish to proceed or contact us for any comment, changes or discussion of our contract. If this contract is satisfactory as written, you may indicate your approval and acceptance below. We will provide a fully executed copy upon return. Thank you for extending the opportunity to provide services.

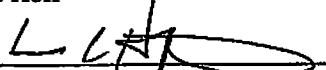
Please Note: Western Architectural is a provider of Professional Consulting Services; we are not a Contractor. As such, we will not accept or enter into a contractor or sub-contractor agreement.

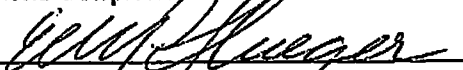
This contract will be honored for 30 days. Please contact our office for any changes beyond the 30-day period.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date first set forth above.

WESTERN ARCHITECTURAL
Eric Hoff

BERKSHIRE COURT APARTMENT HOMES
Authorized Representative

By: 

By: 

Title: President Date: 5-8-08

Title: Owner Date: 5/6/08

*Please sign and return two 2 copies, a fully executed copy will be returned for your files.

Exhibit B



PORTLAND

March 17, 2011

Oakmont, L.L.C.
c/o Mr. Edward Pflueger
55 Oak Hollow Way
Menlo Park, CA 94025

E-mailed to: w8kjr@earthlink.net

Re: Berkshire Court Apartments
Pre-Construction Services / Construction Observations & Reports / Construction Administration

Mr. Pflueger,

First of all, I would like to thank you for the opportunity to offer our proposal to provide the pre-construction services, construction observations & reports and construction administration on the Berkshire Court Apartments for the Oakmont LLC (Client). The Berkshire Court Apartments includes a total of twenty-six (26) wood framed apartment buildings that contain a total of 266 units along with a clubhouse/office building. The buildings are located in Wilsonville, OR on SW Tami Loop.

Our services include the pre-construction services, construction observations & reports and construction administration through the restoration process. Building envelope materials include, but are not limited to new WRB, siding, remove and reset existing windows, flashing, exterior paint, new gutters, sealants and waterproofing the exterior entry stairs. The interior scope of work includes installing new exhaust fans and ductwork in the kitchens, laundry closets and bathrooms of each unit. Electrical work and gypsum wallboard repairs will be incorporated in the interior scope of repairs. This proposal sets forth the terms of our agreement.

PROPOSAL

Scope of Services

Pre-Construction Services

Western Architectural will manage the bidding process that includes soliciting bids, coordination and distribution of the bid package documents and respond to the contractors' RFI's (Requests For Information) for clarification during the bidding process. A minimum of five (5) qualified contractors will be invited to provide proposals for the project that specialize in projects of this size and scope. Western Architectural will procure separate proposals from each bidder for the exterior work ("Exterior Work") and the interior ventilation system work ("Interior Work"), and at your request will seek clarification from bidders on unit or per-building pricing for the work.

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The bidding process includes one (1) onsite pre-bid conference with qualified bidders and answers to any questions during the bidding process, plus a second pre-bid conference if necessary to address any issues you believe were not resolved in the first pre-bid conference. After receiving bids, Western Architectural will prepare a spreadsheet of bid results (separated by Exterior and Interior Work) and attend meetings with you to analyze and discuss the spreadsheet documenting results of the contractors' quotes. Western Architectural will help guide you through this process with recommendations but avoiding any conflict of interest relating to the repair contractors or material suppliers associated with this project.

Western Architectural will help procure the building permit from the City of Wilsonville however; all fees and permit costs are not included in this proposal and are the responsibility of the owner.

In the event any engineering or independent consultants will be required to provide expert information or calculations regarding concealed deficiencies these costs are not included in this proposal. The owners representative will approve all outside consultants that fall into this category if needed, in advance. At this time Western Architectural has no knowledge of any outside consultants that may be required (other than for indoor air quality testing) and has in-house engineering and testing expertise necessary to provide the services described in this proposal.

Cost of Services

Pre-Construction Services \$4,125.00

Mock-Up Observations & Report

Regarding the Exterior Work, this phase includes our mock-up assembly observation services to review the construction / wall assemblies that will be constructed by others. This review will focus on the proper integration of the exterior building materials / systems that interface with the window assembly, make-up the building envelope and waterproofing system. The mock-up review should include members of the construction team / sub-contractors whose work interfaces with or includes the flashing systems (fluid, sheet, metallic), exterior cladding systems, sealants, window systems, below grade waterproofing, etc. We will advise the successful bidder of the criteria for preparation of the mock-up. Our observations of the mock-up assembly will confirm that the wall assembly is in compliance with the construction documents and manufacturers recommendations. One mock-up is included in this proposal to be built by the contractor onsite and will become part of the building. This mock-up will include WRB, window installation, flashing, siding, sealants and sealant pull test. Following our site visit we will produce and distribute a field report recapping our observations.

Mock-Up Observations & Report \$1,320.00, full lump sum for mock-up services for 1 mock-up until mock-up is approved by Western Architectural, contractor and you.

Building Enclosure / Construction Observations & Reports

Regarding the Exterior Work, site observations include methods and materials associated with the exterior envelope assembly. Our site observations of the work in progress include but are not limited to the following:

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- New siding / weather resistant barrier (WRB) / flashing
- Wood framing / exterior sheathing
- Specific areas identified with high moisture levels
- New gutters and downspouts
- Waterproof the exterior entry stairs
- Paint at exterior surfaces

Western Architectural will provide construction observation services to ensure the contractor is in compliance with the construction documents, building codes and manufacturers recommendations. We can only review and comment on work that is visible during the time of our observations. This proposal is based on completing work on one building at a time beginning with building "Q." This proposal is based on a construction schedule estimated at 24 months. This estimate may be changed once the contractor is identified and a construction schedule is developed for the scope of repairs. We understand your choice is to complete one (1) building at a time however there may be a significant savings from the contractor and our observation services if two (2) / multiple buildings are completed simultaneously. This proposal is based on providing two (2) site observations per week with one (1) report per week for the first three (3) months, followed by one (1) observation per week with one report per week for the remainder of the project.

Each weekly observation report will document our assessments and will be distributed to you and, at your direction, the contractor. The report will be delivered in pdf format, by email, with a hard copy upon request. The report will document the condition of the buildings as found during the restoration process. The report will indicate any deviations from architectural intent, approved details, building code and industry standard. This report includes digital photography with captioned photos to record specific details (including without limitation photo number, date, unit number, the subject of the photo). The digital photographs are included to help clarify and understand the existing conditions for specific locations and references. Reports

<i>Construction observations & reports per week*</i>	<i>Number of weeks*</i>	<i>Total*</i>
2 Observations per week	First 3 months (12 weeks)	24 observations
1 Observation per week	Following 21 months (84 weeks)	84 observations
	<i>Total number of construction observations*</i>	<i>108 observations*</i>

**The total number of construction observations is based on a construction schedule estimated at 24 months. The number of site observations and reports will be determined after the contractor develops the project construction schedule. Owner may adjust observation and report durations and intervals without change to the fee so long as the total number of observations is not exceeded.*

Cost of Services

Building Enclosure / Construction Observations & Reports **\$80,460.00

**Based on project duration of 24 months, additional observations (if required), to a maximum \$745.00 each for each additional site visit. You are obligated to pay only for services rendered if the project duration is less than 24 months.

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Special Observations

***Special observations (if needed in addition to the number of weekly observations) for building damages (dry rot / structural) discovered by the contractor while removing the existing siding and weather resistant barrier (WRB).**

***T&M \$165.00 per hour maximum not to exceed \$745.00 for each additional site visit**

Construction Administration Services

Western Architectural will provide the required construction administration services to ensure a successful project. Our construction administration includes but is not limited to the following:

- During the construction process, Western Architectural will respond to the contractors RFI's (Request For Information) to help keep the project on schedule.
- The construction administration also includes time to review and approve the contractor's monthly pay requests.
- Manage jobsite meetings with contractor, owners' representative, select subcontractors or manufacturers representatives. Jobsite meetings will be scheduled on an as needed basis.
- Provide all other services required of Architect under AIA A201 General Conditions of the Contract for Construction-2007.

Cost of Services

Construction Administration *\$42,750.00

***You are obligated to pay only for services rendered if the project duration is less than 24 months.**

Interior Repairs / Observations

The scope of repairs planned for each apartment interior includes but is not limited to the following restoration items:

- New exhaust fans
- Electrical service
- Remove and replace ductwork for exhaust fan
- Repair ceiling and other openings in gypsum wallboard (including taping and texturing ready for painting)
- Review hookup of duct run terminations and connection to exterior vent caps

Once the exhaust fans are installed and ductwork repairs completed, Western Architectural will provide one (1) "cover observation" for each apartment unit. Our observation will confirm the repairs are properly completed and, prior to covering of any openings, provide an approval to cover for the contractor to execute the repairs of the openings. Our construction observation services will ensure the contractor is in compliance with the construction documents, building codes and manufacturers recommendations. Western Architectural will coordinate with the contractor to

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combine and coordinate our observations to minimize the number of required site visits, so long as this does not adversely impact the construction schedule. We can only review and comment on work that is visible during the time of our observations.

Observation reports will be issued to document our assessments and will be distributed to you and, at your direction, the contractor. The report will be delivered in pdf format, by email, with a hard copy upon request. The report will document the condition of the interior as found during the work process. The report will indicate any deviations from architectural intent, approved details, building code and industry standard. This report includes digital photography with captioned photos to record specific details (including without limitation photo number, date, unit number, the subject of the photo). The digital photographs are included to help clarify and understand the existing conditions for specific locations and references.

Cost of Services

Interior Repairs / Observations

*T&M \$165.00 per hour MAXIMUM NOT TO EXCEED *\$745.00 for each additional site visit

Final Report

This includes compiling all the information into an easily referenced, comprehensive analytical report. This documentation package will include the photographic record of the repair process including any written analysis of our observation findings that may have occurred during the restoration. The final report will include the manufacturers product installation requirements, product data and appropriate warranties.

Cost of Services

Final Report Document \$1,320.00 [Interior and Exterior]

[If only final report for Exterior Work is requested, Fee is \$1,120.00]

This proposal is based on our standard working hours Monday thru Friday between 8:00AM - 4:30PM.

COST OF SERVICES

NOTE: The Owner may add services to those covered by this agreement by checking additional "Accept" marks below on a copy of this letter, on one or more occasions, and returning such copy to Western Architectural within 12 months after the date of this letter.

	Up to	
Pre-Construction Services	\$4,125.00	<u>8/18/11</u> <input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject
Observe One Mock-Up & Report	\$1,320.00	<input type="checkbox"/> Accept <input type="checkbox"/> Reject
Exterior Observations & Reports	\$80,460.00	<input type="checkbox"/> Accept <input type="checkbox"/> Reject

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Cost of Services

Interior Repairs / Observations

*T&M \$165.00 per hour MAXIMUM NOT TO EXCEED *\$745.00 for each additional site visit

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	<u>Up to</u>	
Pre-Construction Services	\$4,125.00	<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject
Observe One Mock-Up & Report	\$1,320.00	<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject
Exterior Observations & Reports	\$80,460.00	<input checked="" type="checkbox"/> Accept <input type="checkbox"/> Reject

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Additional Observation & Reports	6 \$745.00 ea.	GAHP ✓ 5-24-11 Accept <input type="checkbox"/> Reject
Special Observations	\$745.00 ea.	GAHP ✓ 5-24-11 Accept <input type="checkbox"/> Reject
Construction Administration	\$42,750.00	GAHP ✓ 5-24-11 Accept <input type="checkbox"/> Reject
Interior Repairs / Observations	\$745.00 ea.	GAHP ✓ 5-24-11 Accept <input type="checkbox"/> Reject
Final Report	\$1,320.00	GAHP ✓ 5-24-11 Accept <input type="checkbox"/> Reject
**Additional Labor \$165.00 / hr		GAHP ✓ 5-24-11 Accept <input type="checkbox"/> Reject

** If your representative requests Western Architectural to provide additional services beyond what is described in this document, the additional labor will be invoiced at our hourly rate of \$165.00 plus expenses.

The Berkshire Court Apartment agrees if their representative requests Western Architectural to provide additional services beyond what is described in this document, the additional labor will be invoiced at our hourly rate of \$165.00 plus expenses; provided unless you agree otherwise, any additional services shall be subject to a per-service not-to-exceed charge cap negotiated prior to provision of services.

Western Architectural acknowledges that it has been paid current for all services provided to the date of this letter.

Basis of Charges

Fees and Minimum Charges:

Base Hourly Fee	\$165.00 Per Hour
Legal Fees – Mediation, Deposition, Trial	\$210.00 Per Hour
Printing & Reproduction Fees	Cost + 10%
Mileage (IRS Standard Rate)	\$0.51 Per Mile – Round Trip (included)

We make every effort to address all crucial areas of the building enclosure and interior repairs you may have concerns about. If any of your concerns have not been addressed in this proposal, please let us know and we will make the appropriate modifications. Please contact me if you have any questions or need additional information.

Service Providers

Western Architectural shall provide services under this agreement through the following persons and shall not change such persons without Owner's prior approval:

Project Architect: James Hagerman
 Project Manager: James Hagerman
 Lead Investigator: James Hagerman
 Site Visits: James Hagerman if unavailable, then by Spencer Reid or Robert Jackson.

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Time is of the essence of Western Architectural's provision of services and Western Architectural shall provide its services in accordance with the construction schedule to avoid delay in the work.

TERMS AND CONDITIONS OF SERVICES

THE FOLLOWING PROVISIONS THROUGH THE SIGNATURES SUPERSEDE THE TERMS AND CONDITIONS OF THE MAY 8, 2008 AGREEMENT BETWEEN THE PARTIES, WITH REGARD TO ALL SERVICES PERFORMED BY WESTERN ARCHITECTURAL UNDER THAT AGREEMENT AND THIS AGREEMENT.

BILLING AND PAYMENT PROCEDURES

Before Western Architectural will perform any work on your project, you must return a signed copy of this Agreement to us. Western Architectural will invoice you on a monthly basis for services provided under this Agreement. The monthly invoices from Western Architectural will be due and payable 30 days after your receipt of the invoice. You agree that Western Architectural will suspend all services if the payment of any invoice is not received in our office within 30 days after your receipt of the invoice; provided Western Architectural will not suspend services so long as you pay the undisputed portion of our invoice. Any fees invoiced and not paid when due shall accrue interest at one-percent (1%) per month until paid in full.

*Payments should be made payable to Western Architectural and sent to:
10200 SW Greenburg Road, Suite 750, Portland, OR 97223*

It is also agreed that in any court proceeding regarding this agreement, including any collection action, the prevailing party will be entitled to its reasonable attorney fees and costs, whether or not suit or appeal is filed. If it is necessary to initiate legal action, venue will be in Multnomah County.

TERMINATION OF ENGAGEMENT

Since our engagement to provide services to you requires mutual confidence, trust and understanding, it is agreed that you may terminate this contract, in whole or in part, without cause at any time, effective on the receipt of written notice by Western Architectural. Such termination of the Agreement to provide services will not affect your responsibility to pay for services authorized and rendered, including all costs incurred up to the date termination is effective, or for any further work required by us in order to facilitate the orderly conclusion of any work in process at the time of such termination. Upon termination, we shall deliver to you all work products in whatever form, including drafts.

RETENTION OF FILES

Generally, Western Architectural keeps and stores our client files for a minimum of ten years after we conclude or terminate our services.

DOCUMENTS

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All drawings, specifications, bid packages, observation reports and other documents prepared or created by Western Architectural for Client under this Agreement and the May 6, 2008 agreement (collectively "Documents") are for use solely with respect to this Project, and Western Architectural shall retain all rights in all Documents provided under common law, statutory

provisions and intellectual property protections, including copyrights. Client is granted a perpetual, irrevocable, nonexclusive and transferable limited license to reproduce and use, and allow others to reproduce and use, the Documents solely for purposes of constructing, repairing, reconstructing, inspecting, using and maintaining the Project and no other license is granted.

Western Architectural will copy you by email on all correspondence and electronic communications to and from the contractor and any interested party approved by you.

LIMITATION OF LIABILITY

To the extent permitted by law, you agree that Western Architectural's liability for damages or liability you incur arising out of or related to Western Architectural's services performed under this Agreement shall be limited to \$2,000,000. This limitation shall apply regardless of the cause of the action or legal theory pleaded or asserted. In no event shall either party be liable for any consequential damages incurred arising out of or related to Western Architectural's services performed under or your performance of this Agreement.

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against Western Architectural. Western Architectural's services under this Agreement are being performed solely for the benefit of you, and any person or entity to whom you transfer the property who continues the project, and no other person or entity shall have any claim against Western Architectural because of this Agreement or the performance of services rendered by Western Architectural hereunder.

Western Architectural's scope of work encompasses only work performed directly by its employees. Any costs for reports prepared by third party consultants or anyone other than Western Architectural, if needed, will be at an additional cost, provided you approve of such reports and costs in advance and provided such third party consultants agree to be responsible to you in a manner acceptable to you. Such costs will be invoiced separately and shall be payable in the same manner and subject to the provisions under the heading "Billing and Payment Procedures".

INSURANCE COVERAGE; INDEMNITY

Western Architectural currently maintains \$2,000,000 in commercial general liability coverage and \$2,000,000 in professional liability coverage. If these limits are not adequate, you agree to pay the premium for any additional coverage, up to the insurable limits of Western Architectural. Within five days, Western Architectural shall deliver to you (i) copies of Western Architectural's general liability and professional liability policies with all endorsements and (ii) a certificate of its commercial general liability insurance naming you as additional insured. Western Architectural shall not perform services under this agreement until you have approved (i) and (ii) above.

BINDING EFFECT

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You and Western Architectural agree that the terms and conditions of this Agreement may not be modified except in writing and signed by each party. This Agreement may not be assigned in whole or in part by you (except to a successor owner) or by Western Architectural without the prior written approval of the other party, which approval may be granted or withheld in that other party's sole discretion. Subject to the foregoing sentence, this Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

AGREEMENT

Please let us know how you wish to proceed or contact us for any comment, changes or discussion of our Agreement. If this Agreement is satisfactory as written, you may indicate your approval and acceptance by signing below. Thank you for extending us the opportunity to work with you.

NOTICES

Any notices required to be given by either party under this Agreement shall be given in writing and shall be effective (i) upon personal delivery, (ii) the next business day after deposited with a nationally recognized overnight delivery service, or (iii) if mailed, three days after deposit in the United States mail, certified or registered mail postage prepaid, directed to you at the address on page 1 and to Western Architectural as follows:

Nick Dente
Western Architectural
10200 SW Greenburg Road, Suite 750
Portland, Oregon 97223

This offer will be honored for 60 days. Please contact our office for any changes beyond the 60-day period.

IN WITNESS WHEREOF, the parties have entered into this agreement on the date first set forth above.

Western Architectural

Nick Dente

By: 

Title: Principal Date 3-18-11

Oakmont, L.L.C.

Authorized Representative

By: 

Title: Manager Date 3-18-11

*Please sign and return both copies. A fully executed copy will be returned for your files.

Respectfully Submitted,



Mike L. Beeson, CSI, CDT
Western Architectural

10200 SW Greenburg Road, Suite 750, Portland, OR 97223
P. 503-297-0663 F. 503-297-0757
www.westernarchitectural.com

CERTIFICATE OF LIABILITY INSURANCEDATE (MM/DD/YYYY)
07/19/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER W B Adams Company General Insurance 14737 SW Millikan Way Beaverton OR 97006	CONTACT NAME: W B Adams Company PHONE (A/C No, Ext): (503) 644-9945 FAX (A/C No): (503) 644-9997 E-MAIL ADDRESS: INSURER(S) AFFORDING COVERAGE INSURER A: Starr Surplus Lines Insurance Co. INSURER B: Maryland Casualty Company INSURER C: Commerce and Industry Insurance INSURER D: SAIF Corporation INSURER E: INSURER F:
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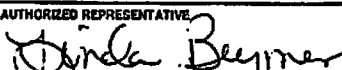
COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL INSURANCE	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC.		SLPG-GL00767-00	4/21/11	4/21/12	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$50,000 VED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		PAS004723526	4/21/11	4/21/12	COMBINED SINGLE LIMIT (Per accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
C	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED. RETENTION \$		EBU020437547	4/21/11	4/21/12	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) DESCRIPTION OF OPERATIONS below	N/A	750184	1/01/11	1/01/12	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A	Professional Liability Deductible: \$75,000		SLSLPRO-262055-11	4/21/11	4/21/12	Each Claim \$2,000,000 Aggregate \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Interior Unit Ventilation Improvement Upgrades and Exterior Building Envelope Repairs at the Berkshire Court Apartments, 29252 SW Tami Loop Wilsonville, Oregon 97070. Oakmont, LLC Berkshire Court Apartments, Edward & Nadine Pflueger, and Summit Real Estate Management, Inc. are named as Additional Insureds per written contract

CERTIFICATE HOLDER Oakmont, LLC c/o Edward Pflueger 55 Oak Hollow Way Menlo Park, CA 94025 Phone: Fax:	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: 
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ACORD 25 (2010/05)

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EXHIBIT B

D I V I D E R

P A G E

Producer No: 46709
Pol Eff Dt: 04-21-2012

SAN: 80113410000000
Office:

Date Printed: 05-07-2012
Time Printed: 13:34:39

Trans Eff Dt: 04-21-2012
Insured Name: WESTERN ARCHITECTURAL ENTERPRI
Policy No: BCS0027611
Trans Seq No: 001
Trans Type: New Business Issue
Oper Init: WELSHS3
Company Abbr: SI
Release Version: 12.05

User-Selected Sets	Copies	Printer
INSURED COPY	01	PDF ONLY
HOME OFFICE COPY	01	PDF ONLY
CERTIFICATE COPY	01	No forms to include with this set
HOME OFFICE (FAX) COPY	01	No forms to include with this set

POLICYWRITING INDEX**SCOTTSDALE INSURANCE COMPANY**

ACCOUNT NUMBER 101897033C	POLICY NUMBER BCS0027611	PREVIOUS POLICY NUMBER NEW	EFFECTIVE DATE - EXPIRATION DATE 04-21-2012 04-21-2013
------------------------------	-----------------------------	-------------------------------	---

NAMED INSURED **W.R. CONSTRUCTION ENTERPRISES, LLC**

MISCELLANEOUS INFORMATION				TRANSACTION INFORMATION	
BILL TYPE	AGENCY			TRANS. TYPE	NEW BUSINESS
DIRECT BILL				TRANS. SEQ. #	001
BILL PLAN				DATE PROCESSED	
OPERATOR I.D.	WELSHS3			TRANS. DATE	04-21-12
UNDERWRITER I.D.	SESSJ			ENDORSEMENT #	
SUBMISSION DATE				CANC/REIN REASON	
DUNN & BRADSTREET				REINSURANCE IND:	N
NY FREE TRADE ZONE				XREF POLICY# 1:	
DEPARTMENT CODE	C			XREF POLICY# 2:	
PROGRAM CODE				XREF POLICY# 3:	
SIC CODE	8711			XREF POLICY# 4:	
PROFIT SHARING				XREF POLICY# 5:	
POLICY PRICING -	PROP/BOP -	GLASS -	IM -	FEIN	
	CRIME -	GL -	AU		

LINE OF BUSINESS/ COMMISSIONS:

<u>LINE OF BUSINESS</u>	<u>COMMISSION %</u>
GENERAL LIABILITY	17.50

FULL ANNUAL PREMIUM	\$	11,476.00
BILLED PREMIUM	\$	11,476.00

NAMED INSURED MAILING ADDRESS W.R. CONSTRUCTION ENTERPRISES, LLC 10200 SW GREENBERG RD PORTLAND OR 97221	AGENT INFORMATION SWETT & CRAWFORD 720 OLIVE WAY 18TH FL SEATTLE WA 98101
--	--

ASSEMBLY INFORMATION

STAMPS/STICKERS

GENERAL COMMENTS

CALLIE SOMMERS FOR COLENE JOHNSTON 4/27/12
 TRIA: NO
 BROKER EMAIL STEFFANY_COLE@SWETT.COM - STEFFANY COLE
 SPD COMP RATED PREM SPLIT: PREM OPS \$9,794, PROD \$1,682
 AUDITABLE: YES
 DEDUCTIBLE: X

POLICYWRITING INDEX

ACCOUNT NUMBER	POLICY NUMBER	PREVIOUS POLICY NUMBER	EFFECTIVE DATE - EXPIRATION DATE
101897033C	BCS0027611	NEW	04-21-2012 04-21-2013

COMPUTER PRODUCED FORMS

NOTX0178CW		02-06 CLAIM REPORTING INFORMATION
UTS-COVPG		12-09 COVER PAGE
OPS-D-1		08-10 COMMON POLICY DECLARATIONS
UTS-126L		10-93 SCHEDULE OF TAXES, SURCHARGES OR FEES
UTS-SP-1		08-96 SCHEDULE OF NAMED INSURED
UTS-SP-2L		12-95 SCHEDULE OF FORMS & ENDORSEMENTS
UTS-SP-3		08-96 SCHEDULE OF LOCATIONS
IL 00 17		11-98 COMMON POLICY CONDITIONS
IL 00 21		09-08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
UTS-74G		08-95 PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION
UTS-9G		05-96 SERVICE OF SUIT CLAUSE
CLS-SD-1L		08-01 COMMERCIAL LIABILITY COVERAGE PART DEC
CLS-SP-1L		10-93 GENERAL LIABILITY COVERAGE PART-EXT.
GLS-230S		08-09 MIN & ADV PREM\MIN EARNED CANCEL ENDT
GLS-103S		06-09 DESIGNATED OPERATIONS EXCLUSION
CG 00 01		12-07 COMMERCIAL GENERAL LIABILITY COV FORM
CG 00 68		05-09 RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION EXCLUSION
CG 20 10	ADL	07-04 ADDITIONAL INSURED-OWNERS, LESSEES OR
CG 20 33	ADL	07-04 ADDL INS - OWNERS, LESSEES OR CONTRACTORS
CG 20 37	ADL	07-04 ADDL INSD-OWNERS/LESSEES/CONTRACTOR-COMP OPERATIONS
CG 21 16	ADL	07-98 EXCL-DESIGNATED PROFESSIONAL SERVICES
CG 21 34		01-87 EXCL-DESIGNATED WORK
CG 21 35		10-01 EXCL-COVERAGE C-MEDICAL PAYMENTS
CG 21 37	ADL	10-01 EXCLUSION-EMPLOYEES OF INSURED
CG 21 47		12-07 EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 49		09-99 TOTAL POLLUTION EXCLUSION ENDORSEMENT
CG 21 53		01-96 EXCL - DESIGNATED ONGOING OPERATIONS
CG 21 54		01-96 EXCL - DESIGNATED OPERATIONS
CG 21 67		12-04 FUNGI OR BACTERIA EXCLUSION
CG 21 73		01-08 EXCLUSION OF CERTIFIED ACTS OF TERRORISM
CG 21 86		12-04 EXCL-EXTERIOR INSULATION & FINISH SYSTEM
CG 21 96		03-05 SILICA OR SILICA-RELATED DUST EXCLUSION
CG 24 04		05-09 WAIVER OF TRANSFER RIGHTS OF RECOVERY
CG 24 26		07-04 AMENDMENT OF INSURED CONTRACT DEFINITION
CG 25 03		05-09 DESIGNATED CONSTRUCTION PROJECTS GENERAL

POLICYWRITING INDEX

ACCOUNT NUMBER	POLICY NUMBER	PREVIOUS POLICY NUMBER	EFFECTIVE DATE - EXPIRATION DATE
101897033C	BCS0027611	NEW	04-21-2012 04-21-2013

GLS-148S	06-99 LIABILITY DEDUCTIBLE (PER OCC/OFF)
GLS-152S	12-96 AMENDMENT TO OTHER INS CONDITION
GLS-169S	05-03 EMPLOYEE BENEFIT LIABILITY
GLS-281s	09-07 CONTINUING OR ONGOING DAMAGE EXCLUSION
GLS-289S	11-07 KNOWN INJURY/DAMAGE EXCL-PERS & ADV INJU
GLS-294S	03-10 ADDL INSD-OWN, LESS, CONTR-SPEC CONDITION
GLS-296S	07-08 PRIOR COMPLETED WORK EXCL SPECIFIED DATE
GLS-304S	07-08 CROSS LIABILITY EXCLUSION
GLS-30S	05-05 CONTRACTORS SPECIAL CONDITIONS
GLS-58S	12-93 LEAD CONTAMINATION EXCLUSION
GLS-60S	10-05 EMPLOYERS LIABILITY INSURANCE STOP GAP
GLS-74S	09-05 AMENDMENT OF CONDITIONS
UTS-131G	03-92 ASBESTOS EXCLUSION

POLICYWRITING INDEX

ACCOUNT NUMBER	POLICY NUMBER	PREVIOUS POLICY NUMBER	EFFECTIVE DATE - EXPIRATION DATE	
	BCS0027611	NEW	04-21-2012	04-21-2013

COMMON POLICY DECLARATIONS

NEW

Renewal of Number

**SCOTTSDALE INSURANCE COMPANY®****Policy Number**

BCS0027611

Home Office:

One Nationwide Plaza o Columbus, Ohio 43215

Administrative Office:

8877 North Gainey Center Drive o Scottsdale, Arizona 85258

1-800-423-7675

A STOCK COMPANY

ITEM 1. Named Insured and Mailing Address

W.R. CONSTRUCTION ENTERPRISES, LLC
 (SEE SCHEDULE OF NAMED INSURED(S))
 10200 SW GREENBERG RD
 SUITE 750
 PORTLAND OR 97221

Agent Name and Address

SWETT & CRAWFORD
 720 OLIVE WAY 18TH FL
 SEATTLE WA 98101

Agent No.:

46709

Program No.: NONE

ITEM 2. Policy Period

From:04-21-2012

To:04-21-2013

Term:1 Year

12:01 A.M., Standard Time at the mailing address shown in ITEM 1.

Business Description: FORENSIC ARCHITECTURAL CONSULTING

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy. This policy consists of the following coverage parts for which a premium is indicated. Where no premium is shown, there is no coverage. This premium may be subject to adjustment.

Coverage Part(s)**Premium Summary**

Commercial General Liability Coverage Part

\$ 11,476.00

Commercial Property Coverage Part

\$ NOT COVERED

Commercial Crime And Fidelity Coverage Part

\$ NOT COVERED

Commercial Inland Marine Coverage Part

\$ NOT COVERED

Commercial Auto Coverage Part

\$ NOT COVERED

Professional Liability Coverage Part

\$ NOT COVERED

Total Policy Premium

\$ 11,476.00

Total Taxes, Surcharges or Fees

\$ 185.00

Policy Total

\$ 11,661.00

Form(s) and Endorsement(s) made a part of this policy at time of issue:

See Schedule of Forms and Endorsements

THIS COMMON POLICY DECLARATION AND THE SUPPLEMENTAL DECLARATION(S), TOGETHER WITH
 THE COMMON POLICY CONDITIONS, COVERAGE PART(S), COVERAGE FORM(S) AND FORM(S) AND ENDORSEMENT(S), IF ANY,
 COMPLETE THE ABOVE-NUMBERED POLICY.



SCOTTSDALE INSURANCE COMPANY®

SCHEDULE OF TAXES, SURCHARGES OR FEES

Policy No. BCS0027611

Effective Date: 04-21-12

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

OPS-D-1 (cont.)

TAXES, SURCHARGES OR FEES BREAKDOWN :

INSPECTION FEE	\$	185.00

TOTAL TAXES, SURCHARGES OR FEES	\$	185.00



SCOTTSDALE INSURANCE COMPANY®

SCHEDULE OF NAMED INSUREDS

Policy No. BCS0027611

Effective Date: 04-21-12

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

W.R. CONSTRUCTION ENTERPRISES, LLC
DBA: WESTERN ARCHITECTURAL;
HDL COMPANY, LLC



SCOTTSDALE INSURANCE COMPANY®

SCHEDULE OF FORMS AND ENDORSEMENTS

Policy No. BCS0027611

Effective Date: 04-21-12

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

COMMON POLICY FORMS AND ENDORSEMENTS

NOTX0178CW	02-06	CLAIM REPORTING INFORMATION
UTS-COVPG	12-09	COVER PAGE
OPS-D-1	08-10	COMMON POLICY DECLARATIONS
UTS-126L	10-93	SCHEDULE OF TAXES, SURCHARGES OR FEES
UTS-SP-1	08-96	SCHEDULE OF NAMED INSUREDS
UTS-SP-2L	12-95	SCHEDULE OF FORMS & ENDORSEMENTS
UTS-SP-3	08-96	SCHEDULE OF LOCATIONS
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 00 21	09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
UTS-74G	08-95	PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION
UTS-9G	05-96	SERVICE OF SUIT CLAUSE

GENERAL LIABILITY FORMS AND ENDORSEMENTS

CLS-SD-1L	08-01	COMMERCIAL LIABILITY COVERAGE PART DEC
CLS-SP-1L	10-93	GENERAL LIABILITY COVERAGE PART-EXT.
GLS-230S	08-09	MIN & ADV PREM\MIN EARNED CANC ENDT
GLS-103S	06-09	DESIGNATED OPERATIONS EXCLUSION
CG 00 01	12-07	COMMERCIAL GENERAL LIABILITY COV FORM
CG 00 68	05-09	RECRDG AND DISTRB OF MATRL OR INFO EXCL
CG 20 10	07-04	ADDITIONAL INSURED-OWNERS, LESSEES OR
CG 20 33	07-04	ADDL INS - OWNERS, LESSEES OR CONTR'S
CG 20 37	07-04	ADDL INSD-OWNERS/LESSEES/CONTR-COMP OPS
CG 21 16	07-98	EXCL-DESIGNATED PROFESSIONAL SERVICES
CG 21 34	01-87	EXCL-DESIGNATED WORK
CG 21 35	10-01	EXCL-COV C-MEDICAL PAYMENTS
CG 21 37	10-01	EXCLUSION-EMPLOYEES OF INSUREDS
CG 21 47	12-07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 49	09-99	TOTAL POLLUTION EXCLUSION ENDORSEMENT
CG 21 53	01-96	EXCL - DESIGNATED ONGOING OPERATIONS
CG 21 54	01-96	EXCL - DESIGNATED OPERATIONS
CG 21 67	12-04	FUNGI OR BACTERIA EXCLUSION
CG 21 73	01-08	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
CG 21 86	12-04	EXCL-EXTERIOR INSULATION & FINISH SYSTEM
CG 21 96	03-05	SILICA OR SILICA-RELATED DUST EXCLUSION
CG 24 04	05-09	WAIVER OF TRANSFER RIGHTS OF RECOVERY
CG 24 26	07-04	AMENDMENT OF INSURED CONTRACT DEFINITION
CG 25 03	05-09	DESIGNATED CONSTRUCTION PROJECTS GENERAL
GLS-148S	06-99	LIABILITY DEDUCTIBLE (PER OCC/OFF)
GLS-152S	12-96	AMENDMENT TO OTHER INS CONDITION
GLS-169S	05-03	EMPLOYEE BENEFIT LIABILITY
GLS-281s	09-07	CONTINUING OR ONGOING DAMAGE EXCLUSION
GLS-289S	11-07	KNOWN INJURY/DAMAGE EXCL-PERS & ADV INJU
GLS-294S	03-10	ADDL INSD-OWN, LESS, CONTR-SPEC CONDITION
GLS-296S	07-08	PRIOR COMPLETED WORK EXCL SPECIFIED DATE
GLS-304S	07-08	CROSS LIABILITY EXCLUSION
GLS-30S	05-05	CONTRACTORS SPECIAL CONDITIONS
GLS-58S	12-93	LEAD CONTAMINATION EXCLUSION
GLS-60S	10-05	EMPLOYERS LIABILITY INSURANCE STOP GAP
GLS-74S	09-05	AMENDMENT OF CONDITIONS
UTS-131G	03-92	ASBESTOS EXCLUSION



SCOTTSDALE INSURANCE COMPANY®

SCHEDULE OF LOCATIONS

Policy No. BCS0027611

Effective Date: 04-21-12

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

Prem. No.	Bldg. No.	Designated Premises (Address, City, State, Zip Code)	Occupancy
001	001	10200 SW GREENBERG RD SUITE 750 PORTLAND, OR 97221	
002	001	215 S STATE ST, #100B SALT LAKE CITY, UT 84111	



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0027611

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-12

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION

In consideration of the premium charged, it is agreed that this policy does not apply to a claim of or indemnification for punitive or exemplary damages.

Punitive or exemplary damages also include any damages awarded pursuant to statute in the form of double, treble or other multiple damages in excess of compensatory damages.

If suit is brought against any insured for a claim falling within coverage provided under the policy, seeking both compensatory and punitive or exemplary damages, then the Company will afford a defense to such action; however, the Company will have no obligation to pay for any costs, interest or damages attributable to punitive or exemplary damages.

AUTHORIZED REPRESENTATIVE

/ _____
DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0027611

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-12

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF SUIT CLAUSE

It is agreed that in the event of the failure of the Company to pay any amount claimed to be due under this policy, the Company at the request of the Insured (or reinsured), will submit to the jurisdiction of any court of competent jurisdiction within the United States of America and will comply with all requirements necessary to give the Court jurisdiction. All matters which arise will be determined in accordance with the law and practice of the Court. In a suit instituted against any one of them under this contract, the Company agrees to abide by the final decision of the Court or of any Appellate Court in the event of an appeal.

Pursuant to any statute of any state, territory or district of the United States of America which makes a provision, the Company will designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured (or reinsured) or any beneficiary arising out of this contract of insurance (or reinsurance).

The officer named below is authorized and directed to accept service of process on behalf of the Company:

THE GENERAL AGENT ON THE DECLARATIONS PAGE, OR

C T CORPORATION SYSTEM

388 STATE STREET, SUITE 420

SALEM, OR 97301

Having accepted service of process on behalf of the Company, the officer is authorized to mail the process or a true copy to:

RECIPIENT NOT REQUIRED

/

AUTHORIZED REPRESENTATIVE

DATE



SCOTTSDALE INSURANCE COMPANY®
COMMERCIAL GENERAL LIABILITY COVERAGE PART
SUPPLEMENTAL DECLARATIONS

Policy No. BCS0027611

Effective Date: 04-21-12

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

Item 1. Limits of Insurance		
Coverage	Limit of Liability	
Aggregate Limits of Liability	\$ <u>2,000,000</u>	Products/Completed Operations Aggregate
	\$ <u>2,000,000</u>	General Aggregate (other than Products/Completed Operations)
Coverage A - Bodily Injury and Property Damage Liability Damage To Premises Rented To You	\$ <u>1,000,000</u>	any one occurrence subject to the Products/Completed Operations and General Aggregate Limits of Liability
	\$ <u>100,000</u>	any one premises subject to the Coverage A occurrence and the General Aggregate Limits of Liability
Coverage B - Personal and Advertising Injury Liability	\$ <u>1,000,000</u>	any one person or organization subject to the General Aggregate Limits of Liability
Coverage C - Medical Payments	\$ <u>NOT COVERED</u>	any one person subject to the Coverage A occurrence and the General Aggregate Limits of Liability
Item 2. Form of Business and Location of Premises		
Form of business: FORENSIC ARCHITECTURAL CONSULTING		
<input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Joint Venture <input type="checkbox"/> Trust <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Organization including a corporation (other than Partnership, Joint Venture or Limited Liability Company)		
Location of All Premises You Own, Rent or Occupy:		
See Schedule of Locations		
Item 3. Forms and Endorsements		
Form(s) and Endorsement(s) made a part of this policy at time of issue:		
See Schedule of Forms and Endorsements		
Item 4. Premiums		
Coverage Part Premium:	\$	11,476.00
Other Premium:	\$	
Total Premium:	\$	11,476.00

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.



SCOTTSDALE INSURANCE COMPANY®

COMMERCIAL GENERAL LIABILITY COVERAGE PART EXTENSION OF SUPPLEMENTAL DECLARATIONS

Policy No. BCS0027611

Effective Date: 04-21-12

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

Prem. No. 001/001	Bldg. No.	Class Code 91585	Exposure INCLUDED	Basis GROSS SALES/NEAREST THOUSAND
Class Description: CONTRACTORS - SUBCONTRACTED WORK - IN CONNECTION WITH CONSTRUCTION, RECONSTRUCTION, REPAIR OR ERECTION OF BUILDINGS NOC **COMPOSITE RATED - ALL OPERATIONS**				Premises/Operations
				Rate Premium
				INCLUDED INCLUDED
				Products/Comp Operations
				Rate Premium
				INCLUDED INCLUDED
Prem. No. 001/001	Bldg. No.	Class Code 92663	Exposure \$3,500,000.	Basis GROSS SALES/NEAREST THOUSAND
Class Description: ENGINEERS OR ARCHITECTS - CONSULTING - NOT ENGAGED IN ACTUAL CONSTRUCTION **COMPOSITE RATED - ALL OPERATIONS** (PRODUCTS-COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT)				Premises/Operations
				Rate Premium
				3.279 11,476
				Products/Comp Operations
				Rate Premium
				INCLUDED INCLUDED
Prem. No.	Bldg. No.	Class Code 44444	Exposure N/A	Basis INCL
Class Description: WAIVER OF SUBROGATION				Premises/Operations
				Rate Premium
				INCLUDED INCLUDED
				Products/Comp Operations
				Rate Premium
				INCLUDED INCLUDED
Prem. No.	Bldg. No.	Class Code 44444	Exposure N/A	Basis INCL
Class Description: PER PROJECT AGGREGATE				Premises/Operations
				Rate Premium
				INCLUDED INCLUDED
				Products/Comp Operations
				Rate Premium



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT
NO. _____

Attached to and forming a part of

Endorsement Effective Date 04-21-12

Policy No. BCS0027611

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM AND ADVANCE PREMIUM/MINIMUM EARNED CANCELLATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART LIQUOR LIABILITY COVERAGE PART PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

MINIMUM PREMIUM \$ 11,476

Item 5. **Premium Audit** Condition of **SECTION IV—COMMERCIAL GENERAL LIABILITY CONDITIONS, SECTION IV—LIQUOR LIABILITY CONDITIONS** and **SECTION IV—PRODUCTS/COMPLETED OPERATIONS LIABILITY CONDITIONS** is replaced by:

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as Advance Premium is a deposit premium only. At the close of each audit period we will compute the Earned Premium for that period and a billing notice of any Audit Premium due will be sent to the first Named Insured. The due date for the Audit Premium is the date shown as the due date on the bill. If the sum of the Advance Premium and Audit Premiums is greater than the Earned Premium, we will return the excess to the first Named Insured, subject to us retaining a Minimum Premium as shown above in the Schedule, including any premium adjustments made by endorsement to this policy during the policy period.
- c. The first Named Insured must keep records of the information we need for premium computation, and provide us or our representative copies at

such times as we may request. In the event the first Named Insured fails or refuses to allow us or our representative to audit your records, we may unilaterally charge an Audit Premium for the policy period at or up to double the Minimum or Advance Premium, whichever is greater, and such Audit Premium shall be immediately due and payable on notice to the first Named Insured.

- d. If you request cancellation of this Coverage Part or policy, we will retain not less than twenty-five percent (25%) of the Advance Premium, unless otherwise shown below:

_____ %

For purposes of this endorsement, the terms Advance Premium, Audit Premium, Earned Premium and Minimum Premium are defined as follows:

Advance Premium means the premium for this Coverage Part that is stated in the policy declarations and payable in full by the first Named Insured at the inception of the policy.

Audit Premium means the premium for this Coverage Part that is developed by calculating the difference between the Advance Premium and the Earned Premium.

Earned Premium means the premium for this Coverage Part that is developed by applying the rate(s) in the policy to the actual premium basis for the audit period.

Minimum Premium means the lowest premium for which this Coverage Part will be written for the policy period.

AUTHORIZED REPRESENTATIVE

DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT
NO. _____

Attached to and forming a part of

Endorsement Effective Date 04-21-12

Policy No. BCS0027611

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED OPERATIONS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
LIQUOR LIABILITY COVERAGE FORM
HOSPITAL PROFESSIONAL LIABILITY COVERAGE FORM
ERRORS AND OMISSIONS COVERAGE PART
PROFESSIONAL LIABILITY INSURANCE
BEAUTY PARLOR/BARBER SHOP PROFESSIONAL LIABILITY INSURANCE
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM

SCHEDULE

Description of Excluded Operations:
OPERATIONS IN THE STATE OF COLORADO

This insurance does not apply to any **medical incident**, "damages," "bodily injury," "property damage," "personal and advertising injury" or "injury" arising out of the operations shown in the Schedule above.

 AUTHORIZED REPRESENTATIVE

 DATE

Includes copyrighted material of ISO Properties, Inc., with its permission.
 Copyright, ISO Properties, Inc., 2004

POLICY NUMBER: BCS0027611

COMMERCIAL GENERAL LIABILITY
CG 20 10 07 04**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
FORM MANUALLY REPLACED	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

POLICY NUMBER: BCS0027611

COMMERCIAL GENERAL LIABILITY
CG 20 37 07 04**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
ANY PERSON OR ORGANIZATION WHEN YOU AND SUCH PERSON OR ORGANIZATION HAVE AGREED IN WRITING IN A CONTRACT OR AGREEMENT, EXECUTED PRIOR TO THE "OCCURRENCE" TO WHICH THIS INSURANCE APPLIES, THAT SUCH PERSON OR ORGANIZATION BE ADDED AS AN ADDITIONAL INSURED ON YOUR POLICY	ALL LOCATIONS; APPLIES TO COMMERCIAL OPERATIONS ONLY
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

POLICY NUMBER: BCS0027611

COMMERCIAL GENERAL LIABILITY
CG 21 16 07 98

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - DESIGNATED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description Of Professional Services:

ALL PROFESSIONAL SERVICES OF ANY INSURED

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any professional services shown in the Schedule, the following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" due to the rendering of or failure to render any professional service.

POLICY NUMBER: BCS0027611

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – DESIGNATED WORK

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Description of your work:

THIS FORM HAS BEEN MANUALLY REPLACED—REVIEW DOCUMENTS IN THIS FOLDER
FOR THE MANUALLY ATTACHED FORM

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

This insurance does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard" and arising out of "your work" shown in the Schedule.

POLICY NUMBER: BCS0027611

COMMERCIAL GENERAL LIABILITY
CG 21 35 10 01

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - COVERAGE C - MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description And Location Of Premises Or Classification:

ALL PREMISES AND CLASSIFICATIONS

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any premises or classification shown in the Schedule:

1. Section **I** - Coverage **C** - Medical Payments does not apply and none of the references to it in the Coverage Part apply: and

2. The following is added to Section **I** - Supplementary Payments:

- h. Expenses incurred by the insured for first aid administered to others at the time of an accident for "bodily injury" to which this insurance applies.

POLICY NUMBER: BCS0027611

COMMERCIAL GENERAL LIABILITY
CG 21 53 01 96

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – DESIGNATED ONGOING OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description of Designated Ongoing Operation(s):

**THIS FORM HAS BEEN MANUALLY REPLACED—REVIEW DOCUMENTS IN THIS FOLDER
FOR THE MANUALLY ATTACHED FORM**

Specified Location (If Applicable):

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of the ongoing operations described in the Schedule of this endorsement, regardless of whether such operations are conducted by you or on your behalf or whether the operations are conducted for yourself or for others.

Unless a "location" is specified in the Schedule, this exclusion applies regardless of where such operations are conducted by you or on your behalf. If a specific "location" is designated in the Schedule of this endorsement, this exclusion applies only to the described ongoing operations conducted at that "location".

For the purpose of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

POLICY NUMBER: **BCS0027611**

COMMERCIAL GENERAL LIABILITY

CG 21 54 01 96

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - DESIGNATED OPERATIONS COVERED BY A
CONSOLIDATED (WRAP-UP) INSURANCE PROGRAM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description and Location of Operation(s):

**ALL LOCATIONS AND OPERATIONS FOR WHICH
YOU ARE COVERED UNDER A CONSOLIDATED,
WRAP-UP OR SIMILAR INSURANCE PROGRAM**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I - Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of either your ongoing operations or operations included within the "products-completed operations hazard" at the location described in the Schedule of this endorsement, as a consolidated (wrap-up) insurance program has been provided by the

prime contractor/project manager or owner of the construction project in which you are involved.

This exclusion applies whether or not the consolidated (wrap-up) insurance program:

- (1) Provides coverage identical to that provided by this Coverage Part;
- (2) Has limits adequate to cover all claims; or
- (3) Remains in effect.

POLICY NUMBER: BCS0027611

COMMERCIAL GENERAL LIABILITY
CG 24 04 05 09

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization:

ANY PERSON OR ORGANIZATION WITH WHOM THE INSURED HAS AGREED TO WAIVE RIGHTS OF RECOVERY, PROVIDED SUCH AGREEMENT IS MADE IN WRITING AND PRIOR TO THE LOSS

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions:**

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

POLICY NUMBER: BCS0027611

COMMERCIAL GENERAL LIABILITY
CG 25 03 05 09**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED CONSTRUCTION PROJECT(S)
GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE**Designated Construction Project(s):**

ALL PROJECTS

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage **A**, and for all medical expenses caused by accidents under Section I – Coverage **C**, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
 2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
 3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
 4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A**, and for all medical expenses caused by accidents under Section **I** – Coverage **C**, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
 2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.
- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.
- D.** If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E.** The provisions of Section **III** – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Endorsement Effective Date 04-21-12

Policy No. BCS0027611

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BODILY INJURY, PROPERTY DAMAGE, PERSONAL
AND ADVERTISING INJURY LIABILITY DEDUCTIBLE ENDORSEMENT
(Per Occurrence or Offense)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Coverage	Amount and Basis of Deductible	
Bodily Injury Liability	\$ 5,000	per occurrence
Property Damage Liability	\$ 5,000	per occurrence
Personal and Advertising Injury Liability (Personal Injury and Advertising Injury)	\$ 5,000	per offense

APPLICATION OF ENDORSEMENT

Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury," "property damage," and "personal and advertising injury," ("personal injury" and "advertising injury") however caused:

NO LIMITATION

applicable to such coverages, and the Limits of Insurance applicable to Each Occurrence or offense for such coverages will be reduced by the amount of such deductible. Aggregate Limits for such coverages shall not be reduced by the application of such deductible amount.

1. Our obligation under the Bodily Injury Liability, Property Damage Liability, Personal and Advertising Injury Liability ("Personal Injury" and "Advertising Injury") Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as

2. The deductible amounts apply to damages and all legal and loss adjustment expenses.
3. The deductible amounts stated in the Schedule above apply:
 - a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
 - b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or
 - c. Under Personal and Advertising Liability ("Personal Injury" and "Advertising Injury") Coverage, to all damages because of "personal injury" or "advertising injury"

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as the result of any one "occurrence" or offense, regardless of the number of persons or organizations who sustain damages because of that "occurrence" or offense.

4. The terms of this insurance, including those with respect to our right and duty to defend any "suits" seeking those damages and your duties in the event of an "occurrence," offense, claim or "suit," apply

Irrespective of the application of the deductible amount.

5. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

AUTHORIZED REPRESENTATIVE

DATE

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SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0027611

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-12

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT TO OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Condition 4. **Other Insurance of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is deleted in its entirety and is replaced by the following:

4. Other Insurance**a. Primary Insurance**

This insurance is primary except when **b.** below applies.

b. Excess Insurance

This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis:

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
- (2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (3) If the loss arises out of the maintenance or use of aircraft, "auto" or watercraft to the extent not subject to Exclusion **g.** of Coverage A (Section I); or

- (4) That is valid and collectible insurance available to you under any other policy.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all other insurance.

If a loss occurs involving two or more policies, each of which states that its insurance will be excess, then our policy will contribute on a pro rata basis.

AUTHORIZED REPRESENTATIVE_____
DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0027611

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-12

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE BENEFIT LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM**SCHEDULE**

Coverage	Limits of Liability	Premium
Employee Benefits Programs	\$ 1,000,000 Each Employee \$ 1,000,000 Aggregate	INCL

A. The following is added to the SECTION I - COVERAGES:**COVERAGE - EMPLOYEE BENEFITS LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Paragraph E. (SECTION III-LIMITS OF INSURANCE) of this endorsement; and

- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments of the Commercial General Liability Coverage Form.

- b. This insurance applies to damages only if:

- (1) The act, error or omission is negligently committed in the "administration" of your "employee benefit program";
- (2) The act, error or omission takes place in the "coverage territory," and;
- (3) The act, error or omission occurs during the policy period.

2. Exclusions

This insurance does not apply to:

- a. Dishonest, Fraudulent, Criminal Or Malicious Acts

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Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

"Bodily injury," "property damage" or "personal and advertising injury."

c. Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program."

e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any "claim" based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or
- (3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program."

f. Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

h. Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable

effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

B. For the purposes of the coverage provided by this endorsement the following applies to the SUPPLEMENTAL PAYMENTS - COVERAGES A AND B:

1. All references to SUPPLEMENTARY PAYMENTS - COVERAGES A AND B are replaced by SUPPLEMENTARY PAYMENTS - COVERAGES A, B AND EMPLOYEE BENEFITS LIABILITY.

2. Paragraphs 1.b. and 2. of the Supplementary Payments provision do not apply.

C. For the purposes of the coverage provided by this endorsement, Paragraphs 2. and 4. of SECTION II - WHO IS AN INSURED are replaced by the following:

2. Each of the following is also an insured:

a. Each of your "employees" who is or was authorized to administer your "employee benefit program."

b. Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.

c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this endorsement.

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
 - b. Coverage under this provision does not apply to any act, error or omission that was committed before you acquired or formed the organization.
- D. For the purposes of the coverage provided by this endorsement, Paragraph 3. of **SECTION II - WHO IS AN INSURED** does not apply.

- E. For the purposes of the coverage provided by this endorsement, **SECTION III - LIMITS OF INSURANCE** is replaced by the following:

1. Limits Of Insurance

- a. The Limits of Insurance shown in the Schedule of this endorsement and the rules below fix the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) "Claims" made or "suits" brought;
 - (3) Persons or organizations making "claims" or bringing "suits";
 - (4) Acts, errors or omissions; or
 - (5) Benefits included in your "employee benefit program."
- b. The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program."
- c. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee," including damages sustained by such "employee's" dependents and beneficiaries, as a result of:
 - (1) An act, error or omission; or
 - (2) A series of related acts, errors or omissions;
 negligently committed in the "administration" of your "employee benefit program."

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program."

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

- F. For the purposes of the coverage provided by this endorsement, Conditions 2. and 4. of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** are replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or 'Claim' Or 'Suit'

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim." To the extent possible, notice should include:
 - (1) What the act, error or omission was and when it occurred; and
 - (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a "claim" is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
 - (2) Notify us as soon as practicable.
 You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

- (1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis and that applies to an act, error or omission.
- (2) When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay

for the loss in absence of this insurance; and the total of all deductible and self-insured amounts under all that other insurance.

- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Schedule of this endorsement.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance of all insurers.

- G. For the purposes of the coverage provided by this endorsement, the following definitions are added to the **SECTION V - DEFINITIONS** Section:

1. "Administration" means:

- a. Providing information to "employees," including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b. Handling records in connection with the "employee benefit program"; or
- c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program."

However, "administration" does not include handling payroll deductions.

- 2. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
- 3. "Claim" means any demand, or "suit," made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.

4. "Employee benefit program" means a program providing some or all of the following benefits to "employees," whether provided through a "cafeteria plan" or otherwise:
- a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
 - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
 - c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;
 - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
 - e. Any other similar benefits designated in the Schedule or added thereto by endorsement.
- H. For the purposes of the coverage provided by this endorsement, Definitions 5. and 18. in the **Definitions** section are replaced by the following:
5. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."
18. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

 AUTHORIZED REPRESENTATIVE

 DATE

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SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT
NO. _____

Attached to and forming a part of

Endorsement Effective Date 04-21-12

Policy No. BCS0027611

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS SPECIAL CONDITION

For coverage provided in the following endorsements as indicated by an "x" in the box below:

- ☐ Additional Insured—Owners, Lessees Or Contractors—Scheduled Person Or Organization (CG 20 10).
- ☒ Additional Insured—Owners, Lessees Or Contractors—Automatic Status When Required In Construction Agreement With You (CG 20 33).
- ☒ Additional Insured—Owners, Lessees Or Contractors—Completed Operations (CG 20 37).

The insurance provided is amended to be (indicated by an "x" in one box below):

- ☒ Primary and noncontributory.
- ☐ Primary.
- ☐ Noncontributory.

☐ If this box is checked, this endorsement applies only to the following additional insured(s):

 AUTHORIZED REPRESENTATIVE

 DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0027611

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-12

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIOR COMPLETED WORK EXCLUSION—SPECIFIED DATE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following exclusion is added to subsection **2. Exclusions** of **SECTION I—COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

This insurance does not apply to "bodily injury" or "property damage" arising out of, in part or in whole, "your work" completed prior to 04/21/2012.

[If left blank the date applicable shall be the inception date of the policy specified in the Common Policy Declarations, **Item 2. Policy Period.**]

"Your work" will be deemed completed at the earliest of the following times:

- a. When all of the work required by your contract has been completed.

- b. When all of the work to be done at a job site has been completed if your contract calls for work at more than one job site.
- c. When that part of the work done at a job site has been put to its intended use by any person or organization.
- d. When a certificate of completion, or a certificate of occupancy, or other similar document is issued.
- e. When you abandon the work.

Work that may need service, maintenance, correction, repair, or replacement, but which is otherwise complete, will be deemed completed.

AUTHORIZED REPRESENTATIVE_____
DATE

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SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0027611

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-12

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LEAD CONTAMINATION EXCLUSION

This endorsement modifies insurance provided under:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This endorsement excludes "occurrences" at or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured; or from the operations of the insured, which result in:

- a. "Bodily Injury" arising out of the ingestion, inhalation or absorption of lead in any form;
- b. "Property Damage" arising from any form of lead;
- c. "Personal Injury" arising from any form of lead;
- d. "Advertising Injury" arising from any form of lead;
- e. **Medical Payments** arising from any form of lead;
- f. Any loss, cost or expense arising out of any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or
- g. Any loss, cost or expense arising out of any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead.

/

AUTHORIZED REPRESENTATIVE_____
DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Endorsement Effective Date 04-21-12

Policy No. BCS0027611

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYERS LIABILITY INSURANCE STOP GAP

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

SCHEDULEStates Where This Insurance Applies WASHINGTON**Limits Of Insurance**Bodily Injury by Accident \$ 1,000,000 Each AccidentBodily Injury by Disease \$ 1,000,000 Each Employee\$ 1,000,000 Aggregate Limit**SCHEDULE**

Classification of Operations on which Rate is Based	Code #	Estimated Total Annual Remuneration	Rate per \$100 of Remuneration	Premium
ENGINEERS OR ARCHITECTS - CONSULTING - NOT ENGAGED IN ACTUAL CONSTRUCTION	44444	INCL.	INCL.	INCLUDED

Minimum Premium INCLUDEDDeposit Premium INCLUDEDTotal Premium INCLUDED**A.** The following is added to **Section I—Coverages:****COVERAGE—STOP GAP—EMPLOYERS LIABILITY****1. Insuring Agreement**

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages

because of "bodily injury by accident" or "bodily injury by disease" to your "employee" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages

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to which this insurance does not apply. We may, at our discretion, investigate any accident and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **Section III—Limits Of Insurance**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under this coverage.

The tender of the limits of insurance before judgment or settlement does not relieve us of our duty to defend.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to "bodily injury by accident" or "bodily injury by disease" only if:

(1) The:

- (a) "Bodily injury by accident" or "bodily injury by disease" takes place in the "coverage territory";
- (b) "Bodily injury by accident" or "bodily injury by disease" arises out of and in the course of the injured "employee's" employment by you; and
- (c) "Employee," at the time of the injury, was covered under a worker's compensation fund and subject to a "workers compensation law" of any state listed in the Schedule above; and

(2) The:

- (a) "Bodily injury by accident" is caused by an accident that occurs during the policy period; or
- (b) "Bodily injury by disease" is caused by or aggravated by conditions of employment by you and the injured "employee's" last day of last exposure to the conditions causing or aggravating such "bodily injury by disease" occurs during the policy period.

- c. The damages we will pay, where recovery is permitted by law, include damages:

(1) For:

- (a) Which you are liable to a third party by reason of a claim or "suit" against you by that third party to recover the damages claimed against such third party as a result of injury to your "employee";
- (b) Care and loss of services; and
- (c) Consequential "bodily injury by accident" or "bodily injury by disease" to a spouse, child, parent, brother or sister of the injured "employee";

provided that these damages are the direct consequence of "bodily injury by accident" or "bodily injury by disease" that arises out of and in the course of the injured "employee's" employment by you; and

- (2) Because of "bodily injury by accident" or "bodily injury by disease" to your "employee" that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

2. Exclusions

This insurance does not apply to:

a. Intentional Injury

"Bodily injury by accident" or "bodily injury by disease" intentionally caused or aggravated by you, or "bodily injury by accident" or "bodily injury by disease" resulting from an act which is determined to have been committed by you if it was reasonable to believe that an injury is substantially certain to occur.

b. Fines Or Penalties

Any assessment, penalty, or fine levied by any regulatory inspection agency or authority.

c. Statutory Obligations

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Contractual Liability

Liability assumed by you under any contract or agreement.

e. Violation Of Law

"Bodily injury by accident" or "bodily injury by disease" suffered or caused by any employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your "executive officers."

f. Termination, Coercion Or Discrimination

Damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any "employee," or arising out of other employment or personnel decisions concerning the insured.

g. Failure To Comply With 'Workers Compensation Law'

"Bodily injury by accident" or "bodily injury by disease" to an "employee" when you are:

(1) Deprived of common law defenses; or

(2) Otherwise subject to penalty;

because of your failure to secure your obligations or other failure to comply with any "workers compensation law."

h. Violation Of Age Laws Or Employment Of Minors

"Bodily injury by accident" or "bodily injury by disease" suffered or caused by any person:

(1) Knowingly employed by you in violation of any law as to age; or

(2) Under the age of fourteen (14) years, regardless of any such law.

i. Federal Laws

Any premium, assessment, penalty, fine, benefit, liability or other obligation imposed by or granted pursuant to:

(1) The Federal Employer's Liability Act (45 USC Section 51-60);

(2) The Non-appropriated Fund Instrumentalities Act (5 USC Sections 8171-8173);

(3) The Longshore and Harbor Workers' Compensation Act (33 USC Sections 910-950);

(4) The Outer Continental Shelf Lands Act (43 USC Section 1331-1356);

(5) The Defense Base Act (42 USC Sections 1651-1654);

(6) The Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942);

(7) The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872);

(8) Any other workers compensation, unemployment compensation or disability laws or any similar law; or

(9) Any subsequent amendments to the laws listed above.

j. Punitive Damages

Multiple, exemplary or punitive damages.

k. Crew Members

"Bodily injury by accident" or "bodily injury by disease" to a master or member of the crew of any vessel or any member of the flying crew of an aircraft.

l. West Virginia Workers Compensation Law, Section 23-4-2 (applicable in West Virginia only).

"Bodily injury by accident" or "bodily injury by disease" caused by any action determined to be of deliberate intention as specified under West Virginia Workers Compensation Law, Section 23-4-2.

B. The Supplementary Payments provisions apply to Coverage—Stop Gap Employers Liability as well as to Coverages **A.** and **B.**

C. For the purposes of this endorsement, Section II—Who Is An Insured, is replaced by the following:

If you are designated in the Declarations as:

1. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
2. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
3. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
4. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. For the purposes of this endorsement, Section III—Limits Of Insurance is as follows:

1. The Limits of Insurance shown in the Schedule of this endorsement and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits."
2. Subject to Paragraph **D.4.** of this endorsement, the "Bodily Injury By Accident"—Each Accident Limit shown in the Schedule of this endorsement is the most we will pay for all damages covered by this insurance because of "bodily injury by accident" to one or more "employees" in any one accident.
3. Subject to Paragraph **D.4.** of this endorsement, the "Bodily Injury By Disease"—Each "Employee" Limit shown in the Schedule of this endorsement is the most we will pay for all damages because of "bodily injury by disease" to any one "employee."

4. The Aggregate Limit shown in the Schedule of this endorsement is the most we will pay for all damages covered by this insurance and arising out of "bodily injury by accident" or "bodily injury by disease," regardless of the number of "employees" who sustain "bodily injury by accident" or "bodily injury by disease."
5. The Aggregate Limit in **D.4.** of this endorsement is made a part of, and not in addition to, the General Aggregate Limit of Paragraph **2.** of **Section III—Limits Of Insurance**.

The limits of the coverage apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. For the purposes of this endorsement, Condition 2. Duties In The Event Of Occurrence, Claim Or Suit of Section IV—Conditions is deleted and replaced by the following:

2. Duties In The Event Of Injury, Claim Or Suit

- a. You must see to it that we or our agent are notified as soon as practicable of a "bodily injury by accident" or "bodily injury by disease" which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "bodily injury by accident" or "bodily injury by disease" took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the injury, claim, proceeding or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us and assist us, as we may request, in the investigation or settlement of the claim or defense against the "suit";
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury to which this insurance may also apply; and
- (5) Do nothing after an injury occurs that would interfere with our right to recover from others.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

F. For the purposes of this endorsement, Paragraph 4. of **Section V—Definitions** is replaced by the following:

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of

travel or transportation between any places included in **a.** above; or

- c. All other parts of the world if the injury or damage arises out of the activities of a person whose home is in the territory described in **a.** above, but who is away for a short time on your business;

provided the insured's responsibility to pay damages is determined in the United States (including its territories and possessions), Puerto Rico, or Canada, in a suit on the merits according to the substantive law in such territory, or in a settlement we agree to.

G. The following are added to **Section V—Definitions**:

1. "Workers Compensation Law" means the Workers Compensation Law and any Occupational Disease Law of the states listed in the Schedule of this endorsement. This does not include provisions of any law providing non-occupational disability benefits.
2. "Bodily injury by accident" means bodily injury, sickness or disease sustained by a person, including death, resulting from an accident. A disease is not "bodily injury by accident" unless it results directly from "bodily injury by accident."
3. "Bodily injury by disease" means a disease sustained by a person, including death. "Bodily injury by disease" does not include a disease that results directly from an accident.

H. For the purposes of this endorsement, the definition of "bodily injury" under **Section V—Definitions** does not apply.

AUTHORIZED REPRESENTATIVE

DATE

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SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0027611

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-12

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

The coverage afforded by this policy does not apply to bodily injury, personal injury or property damage arising out of:

1. Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos; or
2. The use of asbestos in construction or manufacturing any good, product or structure; or
3. The removal of asbestos from any good, product or structure; or

4. The manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos.

The coverage afforded by the policy does not apply to payment for the investigation or defense of any loss, injury or damage or any cost, fine or penalty or for any expense of claim or suit related to any of the above.

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
SPECIAL NOTES: 03/30/12
INSURANCE CO : SCOTTSDALE INSURANCE COMP
BUSINESS TYPE: LIMITED LIABILITY COMPANY

Scottsdale Insurance Company
8877 N. Gainey Center Drive
Scottsdale, AZ 85258

DATE : 05/07/12
TRANS TYPE: NEW BUSINESS

POLICY NUMBER: BCS0027611
CUSTOMER ID : 101897033C
SYSTEM ASSIGN: 80113410000000
UND IND :

AGY/PROD NUMBER: 46709
PROD NAME : SWETT & CRAWFORD

AUD FREQ: ANNUAL
OPERATOR: WELSHS3

LOB: GENERAL LIABILITY
LOB(GL)SYS RATING VERS: 66.200

EFFECTIVE DATE: 04/21/12

EXPIRE DATE: 04/21/13
RATING TIER:

ANNIV. DATE:

POLICY INFORMATION:

PRD STATE : OR
MUL/STATE : NO

POL. TERM : 365 DAYS
PKG PROGRAM:

* * * * POLICY PREMIUM TOTALS * * * *

COVERAGES	PREMIUM
PREMISES OPERATIONS	11,476.00
STOP GAP	INCLUDED
FREEFORM	INCLUDED

GRAND TOTAL POLICY PREMIUM 11,476.00

EXPERIENCE - PREMISES/OPERATION BASIC PREMIUMS : 3,501.00

GEN. LIAB. - SIMPLIFIED

PAGE: 1

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
 CUSTOMER ID : 101897033C
 POLICY NUMBER: BCS0027611
 TRANS TYPE : NEW BUSINESS EFFECTIVE: 04/21/12
 TRANS SEQ : 001

GENL LIAB POLICY LEVEL INFORMATION

PKG PROGRAM : PKG DESC :
 AUDIT FREQ : ANNUAL DEPOSIT % :
 POLICY TYPE : OCCURRENCE RETRO DATE : CLMS YR :
 RETRO RATED : NO
 GENERAL AGGR : 2,000,000 PROD/COMPL AGGR: 2,000,000
 PER/ADV INJ : 1,000,000 EACH OCCURRENCE: 1,000,000
 FIRE DAMAGE : 100,000 MEDICAL EXPENSE: N/A
 COMBINED PREM :
 PREM/OPS EXPR: 3,501.00 PRODUCTS EXPR :
 STOP GAP LIMIT: 1,000,000
 STOP GAP AGGR : 1,000,000
 DED SUBLINE : BOTH DED APPLY : BI + PD + PI + AI
 DED AMOUNT : 5,000 DED TYPE : PER OCCR.
 PREM/OPS DED FCT : PRODUCTS DED FCT :
 DED/RETENTION AGG : NO
 RISK RETENTION TYPE: RISK RETENTION SUBLINE :
 RISK RET AMOUNT : RISK RET AGGREGATE :
 RISK RET OPTION :
 PREM ILF 1 : PREM ILF 2 : PREM ILF 3:
 PROD ILF A : PROD ILF B : PROD ILF C:
 SIR TYPE : SIR AGG LMT : SIR OCC LMT:
 TERR RT GRP :

EXCLUSIONS: MEDICAL PAYMENTS

GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT

PKG MOD	*	PKG DEV	*	SCHED MOD	*	EXPER MOD	*	COMP EXPNS	*	AGENT EXPNS	*	OTHER MOD	*	SIC TERR FCT	=	RATE MOD
1.0000		1.0000		5.00000		1.0000		1.0000		1.0000		1.0000		1.00000		5.00000

POLICY LEVEL GENL LIAB RATING FORMULAS

CLASS CODE : 44444
 STOP GAP

PREMIUM =
 INCL

FINAL PREM
 INCL

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
 CUSTOMER ID : 101897033C
 POLICY NUMBER: BCS0027611
 TRANS TYPE : NEW BUSINESS EFFECTIVE: 04/21/12
 TRANS SEQ : 001

POLICY FREEFORM INFORMATION

**** POLICY FREEFORM COVERAGE INFORMATION ****

CLASS CODE : 44444
 CLASS DESCRIPTION : WAIVER OF SUBROGATION
 GL SUBLINE CODE : 334
 PREMIUM : INCL SURCHARGE APPLY : SURCHARGE PREMIUM :
 EXPOSURE : N/A EXPOSURE INDICATOR :
 OCCURRENCE LIMIT : AGGREGATE LIMIT :
 DEDUCTIBLE TYPE : DEDUCTIBLE AMT :
 RATE DEP FTR : RMF :
 FULLY EARNED : FLAT CHARGE : N TERM FACTOR :
 PREM/BLDG : PRODUCTS INCL : Y RATE : INCL
 BASIS OF PREMIUM : INCL PRINT IND : Y MISC 6 :

CLASS CODE : 73444
 CLASS DESCRIPTION : EMPLOYEE BENEFITS LIABILITY
 GL SUBLINE CODE : 317
 PREMIUM : INCL SURCHARGE APPLY : N SURCHARGE PREMIUM :
 EXPOSURE : EXPOSURE INDICATOR :
 OCCURRENCE LIMIT : 1000000 AGGREGATE LIMIT : 1000000
 DEDUCTIBLE TYPE : DEDUCTIBLE AMT :
 RATE DEP FTR : RMF :
 FULLY EARNED : FLAT CHARGE : N TERM FACTOR :

CLASS CODE : 44444
 CLASS DESCRIPTION : PER PROJECT AGGREGATE
 GL SUBLINE CODE : 334
 PREMIUM : INCL SURCHARGE APPLY : N SURCHARGE PREMIUM :
 EXPOSURE : N/A EXPOSURE INDICATOR :
 OCCURRENCE LIMIT : AGGREGATE LIMIT :
 DEDUCTIBLE TYPE : DEDUCTIBLE AMT :
 RATE DEP FTR : RMF :
 FULLY EARNED : FLAT CHARGE : N TERM FACTOR :
 PREM/BLDG : PRODUCTS INCL : N RATE : INCL
 BASIS OF PREMIUM : INCL PRINT IND : Y MISC 6 :

**** POLICY FREEFORM RATING FORMULAS ****

WAIVER OF SUBROGATIO CLASS 44444	BASE PREMIUM = 0	FINAL PREM 0
EMPLOYEE BENEFITS LI CLASS 73444	BASE PREMIUM = 0	FINAL PREM 0
PER PROJECT AGGREGAT CLASS 44444	BASE PREMIUM = 0	FINAL PREM 0

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
 CUSTOMER ID : 101897033C
 POLICY NUMBER: BCS0027611
 TRANS TYPE : NEW BUSINESS EFFECTIVE: 04/21/12
 TRANS SEQ : 001

 GENL LIAB CLASS CODE/LOCATION INFORMATION

GEN. LIAB. - SIMPLIFIED LOC # 001/BLDG # 001/CLASS 91585 INFO

LOC # : 001 BLDG # : 001
 10200 SW GREENBERG RD
 PORTLAND, OR 97221

TERR STATE: OR
 TERR RATE : 501
 TAX DIST :

CLASS CODE : 91585
 CLASS ID : 000

DESC : CONTRACTORS - SUBCONTRACTED WORK - IN CO

PKG PROGRAM :
 PROD WITHDRW LIAB : NO
 PROD EXCLUD : NO
 PREM/OPS DED
 TYPE AMOUNT: CSL 5000

RATE REV DATE: 01/01/12 DEV REV DATE: 09/01/11
 PREM/OPS EXCLUD : NO
 DED APPLIES : TO PREM OPS / PROD BI + PD
 PRODUCTS DED
 TYPE AMOUNT: CSL 5000

INCREASE LIMITS TABLES
 PREM/OPS : 3
 PRODUCTS : C

PREM/OPS EXPER BASIC PREM : 1.00
 PRODUCTS EXPER BASIC PREM : 1.00

PREM/OPS (A) RATES : YES
 PRODUCTS (A) RATES : YES
 NEW EXPOSURE : INCLUDED
 DEPOSIT PREM : NO
 CLASS EXCLUS:
 CLASS EXTEN :
 STOP GAP :
 STOP GAP AGG:

INTERCOMPANY SALES EXPOS :
 AUDITABLE PRO-RATED EXPOS:

OCC:

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT

PKG MOD	* DEV	* SCHED MOD	* SCHED MOD	* EXPER MOD	* COMP EXPNS	* AGENT EXPNS	* OTHER MOD	* SIC TERR FCT	= RATE MOD
1.0000	1.0000	5.00000	1.0000	1.0000	1.0000	1.0000	1.00000		5.00000

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT (PRODUCTS)

PKG MOD	* DEV	* SCHED MOD	* SCHED MOD	* EXPER MOD	* COMP EXPNS	* AGENT EXPNS	* OTHER MOD	* SIC TERR FCT	= RATE MOD
1.0000	1.0000	5.00000	1.0000	1.0000	1.0000	1.0000	1.00000		1.0000 5.00000

 CLASS CODE/LOCATION GENL LIAB RATING FORMULAS

CLASS CODE : 91585 DESC : CONTRACTORS - SUBCONTRACTED WORK - IN CO

PREM/OPS FINAL RATE * EXPOSURE =
 INCLUDED. .000

FINAL PREM
 INCLUDED.

PRODUCTS FINAL RATE * EXPOSURE =
 INCLUDED. .000

FINAL PREM
 INCLUDED.

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
 CUSTOMER ID : 101897033C
 POLICY NUMBER: BCS0027611
 TRANS TYPE : NEW BUSINESS EFFECTIVE: 04/21/12
 TRANS SEQ : 001

 GENL LIAB CLASS CODE/LOCATION INFORMATION

GEN. LIAB. - SIMPLIFIED LOC # 001/BLDG # 001/CLASS 92663 INFO

CLASS CODE : 92663
 CLASS ID : 000
 CLASS STATE: OR
 TERR RATE : 501
 TAX DIST :

DESC : ENGINEERS OR ARCHITECTS - CONSULTING - N

PKG PROGRAM :
 PROD WITHDRW LIAB : NO
 PROD EXCLUD : NO
 PREM/OPS DED
 TYPE AMOUNT: CSL 5000

PKG DESC :

RATE REV DATE: 01/01/12 DEV REV DATE: 09/01/11
 PREM/OPS EXCLUD : NO
 DED APPLIES : TO PREM OPS / PROD BI + PD
 PRODUCTS DED
 TYPE AMOUNT: CSL 5000

INCREASE LIMITS TABLES

PREM/OPS : 3
 PRODUCTS :

PREM/OPS EXPER BASIC PREM : 3,500.00
 PRODUCTS EXPER BASIC PREM :

PREM/OPS (A) RATES : NO
 PRODUCTS (A) RATES : NO
 NEW EXPOSURE (O/R) : 3,500,000 GROSS SALES/NEAREST THOUSAND
 DEPOSIT PREM : NO
 CLASS EXCLUS:
 CLASS EXTEN :
 STOP GAP :
 STOP GAP AGG:

INTERCOMPANY SALES EXPOS : 3,500,000
 AUDITABLE PRO-RATED EXPOS:

OCC:

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT

PKG MOD *	PKG DEV *	SCHED MOD *	EXPER MOD *	COMP EXPNS *	AGENT EXPNS *	OTHER MOD *	SIC TERR FCT	RATE MOD
1.0000	1.0000	5.00000	1.0000	1.0000	1.0000	1.00000	=	5.00000

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT (PRODUCTS)

PKG MOD *	PKG DEV *	SCHED MOD *	EXPER MOD *	COMP EXPNS *	AGENT EXPNS *	OTHER MOD *	SIC TERR FCT	RATE MOD
1.0000	1.0000	5.00000	1.0000	1.0000	1.0000	1.00000	=	1.0000 5.00000

 CLASS CODE/LOCATION GENL LIAB RATING FORMULAS

CLASS CODE : 92663 DESC : ENGINEERS OR ARCHITECTS - CONSULTING - N

PREM/OPS OVRD PREM =
 11,476

FINAL PREM
 11476.00

 STATE TOTAL (OR) = 11,476.00

 POLICY TOTAL = 11,476.00

Surplus Taxes and Fees Input

Name of Insured: WESTERN ARCHITECTURAL ENTERPRISE
 Special Notes: 03/30/12
 Insurance Co.: SCOTTSDALE INSURANCE COMPANY
 Business Type:

Scottsdale Insurance Company
 8877 N. Gainey Center Drive
 Scottsdale, AZ 85258

Date: 5/7/2012
 Trans Type : NEW BUS.

Policy Number: BCS0027611
 System Assign: 80113410000000

Agy/Prod Name: SWETT & CRAWFORD
 Underwriter: SESS , JEFF

Fee Type	Charge Type	Amount	Taxable	Fully Earned	Minimum	Charge Amt
Inspection Fee	Flat	185.00	No	Yes	.00	185.00

EXHIBIT C

User-Selected Sets	Copies	Printer
INSURED COPY	01	PDF ONLY
HOME OFFICE COPY	01	PDF ONLY
CERTIFICATE COPY	01	No forms to include with this set
HOME OFFICE (FAX) COPY	01	No forms to include with this set

POLICYWRITING INDEX

SCOTTSDALE INSURANCE COMPANY

CUSTOMER ID 102229718C	POLICY NUMBER BCS0030045	PREVIOUS POLICY NUMBER BCS0027611	EFFECTIVE DATE 04-21-2013	EXPIRATION DATE 04-21-2014
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NAMED INSURED W.R. CONSTRUCTION ENTERPRISES, LLC,

MISCELLANEOUS INFORMATION		TRANSACTION INFORMATION	
BILL TYPE	AGENCY	TRANS. TYPE	RENEWAL ISSUE
DIRECT BILL		TRANS. SEQ. #	001
BILL PLAN		DATE PROCESSED	05-01-13
OPERATOR I.D.	SMITD3	TRANS. DATE	04-21-13
UNDERWRITER I.D.	SMI	ENDORSEMENT #	
SUBMISSION DATE		CANC/REIN REASON	
DUNN & BRADSTREET		REINSURANCE IND:	N
NY FREE TRADE ZONE		XREF POLICY #1	
DEPARTMENT CODE	C	XREF POLICY #2	
PROGRAM CODE		XREF POLICY #3	
SIC CODE	8711	XREF POLICY #4	
PROFIT SHARING		XREF POLICY #5	
POLICY PRICING -	PROP/BOP -	FEIN	
CRIME -	GLASS -		
	GL -		
	IM -		
	AU -		

LINE OF BUSINESS/ COMMISSIONS:

<u>LINE OF BUSINESS</u>	<u>COMMISSION %</u>
GENERAL LIABILITY	17.50

FULL ANNUAL PREMIUM 10000
BILLED PREMIUM 10000

NAMED INSURED MAILING ADDRESS W.R. CONSTRUCTION ENTERPRISES, LLC, 10200 SW GREENBERG RD PORTLAND		AGENT INFORMATION SWETT & CRAWFORD 720 OLIVE WAY 18TH FL SEATTLE		CODE 46709
OR	97221		WA	98101
		RETAIL AGENT INFORMATION		CODE

ASSEMBLY INFORMATION

STAMPS/STICKERS

SPECIAL INSTRUCTIONS

AUDIT FREQ : Y D/U : X UW ID : JCS
BROKER EMAIL : LOREN_BELL@SWETT.COM
COMPOSITE RATED : PREMISES \$7521 PRODUCTS : 1431 MINIMUM PREMIUM
POLICY DIFFERENCE OF \$1048
COLENE JOHNSTON
04/29/2013

POLICYWRITING INDEX

ACCOUNT NUMBER	POLICY NUMBER	PREVIOUS POLICY NUMBER	EFFECTIVE DATE - EXPIRATION DATE
102229718C	BCS0030045	BCS0027611	04-21-2013 04-21-2014

COMPUTER PRODUCED FORMS

NOTX0178CW		02-06 CLAIM REPORTING INFORMATION
UTS-COVPG		12-09 COVER PAGE
OPS-D-1		08-10 COMMON POLICY DECLARATIONS
UTS-SP-1		08-96 SCHEDULE OF NAMED INSURED
UTS-SP-2L		12-95 SCHEDULE OF FORMS & ENDORSEMENTS
UTS-SP-3		08-96 SCHEDULE OF LOCATIONS
IL 00 17		11-98 COMMON POLICY CONDITIONS
IL 00 21		09-08 NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
UTS-74G		08-95 PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION
UTS-9G		05-96 SERVICE OF SUIT CLAUSE
CLS-SD-1L		08-01 COMMERCIAL LIABILITY COVERAGE PART DEC
CLS-SP-1L		10-93 GENERAL LIABILITY COVERAGE PART-EXT.
GLS-230S		08-09 MIN & ADV PREM\MIN EARNED CANC ENDT
GLS-103S		06-09 DESIGNATED OPERATIONS EXCLUSION
CG 00 01		12-07 COMMERCIAL GENERAL LIABILITY COV FORM
CG 00 68		05-09 RECRDG AND DISTRB OF MATRL OR INFO EXCL
CG 20 10	ADL	07-04 ADDITIONAL INSURED-OWNERS, LESSEES OR
CG 20 33	ADL	07-04 ADDL INS - OWNERS, LESSEES OR CONTR'S
CG 20 37	ADL	07-04 ADDL INSD-OWNERS/LESSEES/CONTR-COMP OPS
CG 21 16	ADL	07-98 EXCL-DESIGNATED PROFESSIONAL SERVICES
CG 21 35		10-01 EXCL-COV C-MEDICAL PAYMENTS
CG 21 36		03-05 EXCL-NEW ENTITIES
CG 21 47		12-07 EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 49		09-99 TOTAL POLLUTION EXCLUSION ENDORSEMENT
CG 21 54		01-96 EXCL - DESIGNATED OPERATIONS
CG 21 67		12-04 FUNGI OR BACTERIA EXCLUSION
CG 21 73		01-08 EXCLUSION OF CERTIFIED ACTS OF TERRORISM
CG 21 86		12-04 EXCL-EXTERIOR INSULATION & FINISH SYSTEM
CG 21 96		03-05 SILICA OR SILICA-RELATED DUST EXCLUSION
CG 24 04	ADL	05-09 WAIVER OF TRANSFER RIGHTS OF RECOVERY
CG 24 26		07-04 AMENDMENT OF INSURED CONTRACT DEFINITION
GLS-148S		06-99 LIABILITY DEDUCTIBLE (PER OCC/OFF)
GLS-152S		12-96 AMENDMENT TO OTHER INS CONDITION
GLS-169S		05-03 EMPLOYEE BENEFIT LIABILITY
GLS-281s		09-07 CONTINUING OR ONGOING DAMAGE EXCLUSION

POLICYWRITING INDEX

ACCOUNT NUMBER	POLICY NUMBER	PREVIOUS POLICY NUMBER	EFFECTIVE DATE - EXPIRATION DATE
102229718C	BCS0030045	BCS0027611	04-21-2013 04-21-2014

GLS-282s		04-08 MULTI-UNIT HABITATIONAL CONVERSION EXCL
GLS-289S		11-07 KNOWN INJURY/DAMAGE EXCL-PERS & ADV INJU
GLS-294S		03-10 ADDL INSD-OWN, LESS, CONTR-SPEC CONDITION
GLS-296S		07-08 PRIOR COMPLETED WORK EXCL SPECIFIED DATE
GLS-304S		07-08 CROSS LIABILITY EXCLUSION
GLS-30S		05-05 CONTRACTORS SPECIAL CONDITIONS
GLS-318S-HI	ADL	10-10 HI-OCCURRENCE REDEFINED-WORK PERFORMED
GLS-332s		01-12 DESG CONSTRUCTION PROJECTS AGG LIMIT
GLS-58S		12-93 LEAD CONTAMINATION EXCLUSION
GLS-60S		10-05 EMPLOYERS LIABILITY INSURANCE STOP GAP
GLS-74S		09-05 AMENDMENT OF CONDITIONS
UTS-131G		03-92 ASBESTOS EXCLUSION

NON-FILL-IN FORMS REQUIRED - MANUALLY ATTACH

UTS-322S	NEW	01-09 RESIDENTIAL BUILDING PROJECT EXCLUSION
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POLICYWRITING INDEX

ACCOUNT NUMBER	POLICY NUMBER	PREVIOUS POLICY NUMBER	EFFECTIVE DATE - EXPIRATION DATE	
	BCS0030045	BCS0027611	04-21-2013	04-21-2014

COMMON POLICY DECLARATIONS

BCS0027611

Renewal of Number

**SCOTTSDALE INSURANCE COMPANY®****Policy Number**

BCS0030045

Home Office:

One Nationwide Plaza o Columbus, Ohio 43215

Administrative Office:

8877 North Gainey Center Drive o Scottsdale, Arizona 85258

1-800-423-7675

A STOCK COMPANY

ITEM 1. Named Insured and Mailing Address

W.R. CONSTRUCTION ENTERPRISES, LLC,
 (SEE SCHEDULE OF NAMED INSURED(S))
 10200 SW GREENBERG RD
 SUITE 750
 PORTLAND OR 97221

Agent Name and Address

SWETT & CRAWFORD
 720 OLIVE WAY 18TH FL
 SEATTLE WA 98101

Agent No.:

46709

Program No.: NONE

ITEM 2. Policy Period

From:04-21-2013

To:04-21-2014

Term:1 Year

12:01 A.M., Standard Time at the mailing address shown in ITEM 1.

Business Description: FORENSIC ARCHITECTURAL CONSULTING

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy. This policy consists of the following coverage parts for which a premium is indicated. Where no premium is shown, there is no coverage. This premium may be subject to adjustment.

Coverage Part(s)**Premium Summary**

Commercial General Liability Coverage Part

\$ 10,000.00

Commercial Property Coverage Part

\$ NOT COVERED

Commercial Crime And Fidelity Coverage Part

\$ NOT COVERED

Commercial Inland Marine Coverage Part

\$ NOT COVERED

Commercial Auto Coverage Part

\$ NOT COVERED

Professional Liability Coverage Part

\$ NOT COVERED

Total Policy Premium

\$ 10,000.00

Policy Total

\$ 10,000.00

Form(s) and Endorsement(s) made a part of this policy at time of issue:

See Schedule of Forms and Endorsements

THIS COMMON POLICY DECLARATION AND THE SUPPLEMENTAL DECLARATION(S), TOGETHER WITH
 THE COMMON POLICY CONDITIONS, COVERAGE PART(S), COVERAGE FORM(S) AND FORM(S) AND ENDORSEMENT(S), IF ANY,
 COMPLETE THE ABOVE-NUMBERED POLICY.



SCOTTSDALE INSURANCE COMPANY®

SCHEDULE OF NAMED INSUREDS

Policy No. BCS0030045

Effective Date: 04-21-13

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

W.R. CONSTRUCTION ENTERPRISES, LLC,
DBA: WESTERN ARCHITECTURAL;

HDL COMPANY, LLC



SCOTTSDALE INSURANCE COMPANY®

SCHEDULE OF FORMS AND ENDORSEMENTS

Policy No. BCS0030045

Effective Date: 04-21-13

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

COMMON POLICY FORMS AND ENDORSEMENTS

NOTX0178CW	02-06	CLAIM REPORTING INFORMATION
UTS-COVPG	12-09	COVER PAGE
OPS-D-1	08-10	COMMON POLICY DECLARATIONS
UTS-SP-1	08-96	SCHEDULE OF NAMED INSURED
UTS-SP-2L	12-95	SCHEDULE OF FORMS & ENDORSEMENTS
UTS-SP-3	08-96	SCHEDULE OF LOCATIONS
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 00 21	09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
UTS-74G	08-95	PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION
UTS-9G	05-96	SERVICE OF SUIT CLAUSE

GENERAL LIABILITY FORMS AND ENDORSEMENTS

CLS-SD-1L	08-01	COMMERCIAL LIABILITY COVERAGE PART DEC
CLS-SP-1L	10-93	GENERAL LIABILITY COVERAGE PART-EXT.
GLS-230S	08-09	MIN & ADV PREM\MIN EARNED CANCEL ENDT
GLS-103S	06-09	DESIGNATED OPERATIONS EXCLUSION
CG 00 01	12-07	COMMERCIAL GENERAL LIABILITY COV FORM
CG 00 68	05-09	RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION EXCLUSION
CG 20 10	07-04	ADDITIONAL INSURED-OWNERS, LESSEES OR
CG 20 33	07-04	ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS
CG 20 37	07-04	ADDITIONAL INSURED-OWNERS/LESSEES/CONTRACTOR-COMP OPERATIONS
CG 21 16	07-98	EXCLUSION-DESIGNATED PROFESSIONAL SERVICES
CG 21 35	10-01	EXCLUSION-COVERAGE C-MEDICAL PAYMENTS
CG 21 36	03-05	EXCLUSION-NEW ENTITIES
CG 21 47	12-07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 49	09-99	TOTAL POLLUTION EXCLUSION ENDORSEMENT
CG 21 54	01-96	EXCLUSION - DESIGNATED OPERATIONS
CG 21 67	12-04	FUNGUS OR BACTERIA EXCLUSION
CG 21 73	01-08	EXCLUSION OF CERTIFIED ACTS OF TERRORISM
CG 21 86	12-04	EXCLUSION-EXTERIOR INSULATION & FINISH SYSTEM
CG 21 96	03-05	SILICA OR SILICA-RELATED DUST EXCLUSION
CG 24 04	05-09	WAIVER OF TRANSFER RIGHTS OF RECOVERY
CG 24 26	07-04	AMENDMENT OF INSURED CONTRACT DEFINITION
GLS-148S	06-99	LIABILITY DEDUCTIBLE (PER OCC/OFF)
GLS-152S	12-96	AMENDMENT TO OTHER INS CONDITION
GLS-169S	05-03	EMPLOYEE BENEFIT LIABILITY
GLS-281s	09-07	CONTINUING OR ONGOING DAMAGE EXCLUSION
GLS-282s	04-08	MULTI-UNIT HABITATIONAL CONVERSION EXCLUSION
GLS-289S	11-07	KNOWN INJURY/DAMAGE EXCLUSION-PERSONS & ADV INJURY
GLS-294S	03-10	ADDITIONAL INSURED-OWN, LESS, CONTRACTOR-SPEC CONDITION
GLS-296S	07-08	PRIOR COMPLETED WORK EXCLUSION SPECIFIED DATE
GLS-304S	07-08	CROSS LIABILITY EXCLUSION
GLS-30S	05-05	CONTRACTORS SPECIAL CONDITIONS
GLS-318S-HI	10-10	HI-OCCURRENCE REDEFINED-WORK PERFORMED
GLS-332s	01-12	DESIGN CONSTRUCTION PROJECTS AGG LIMIT
GLS-58S	12-93	LEAD CONTAMINATION EXCLUSION
GLS-60S	10-05	EMPLOYERS LIABILITY INSURANCE STOP GAP
GLS-74S	09-05	AMENDMENT OF CONDITIONS
UTS-131G	03-92	ASBESTOS EXCLUSION
UTS-322S	01-09	RESIDENTIAL BUILDING PROJECT EXCLUSION



SCOTTSDALE INSURANCE COMPANY®

SCHEDULE OF LOCATIONS

Policy No. BCS0030045

Effective Date: 04-21-13

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

Prem. No.	Bldg. No.	Designated Premises (Address, City, State, Zip Code)	Occupancy
001	001	10200 SW GREENBERG RD SUITE 750 PORTLAND, OR 97221	
002	001	215 S STATE ST, #100B SALT LAKE CITY, UT 84111	



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0030045

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-13

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION

In consideration of the premium charged, it is agreed that this policy does not apply to a claim of or indemnification for punitive or exemplary damages.

Punitive or exemplary damages also include any damages awarded pursuant to statute in the form of double, treble or other multiple damages in excess of compensatory damages.

If suit is brought against any insured for a claim falling within coverage provided under the policy, seeking both compensatory and punitive or exemplary damages, then the Company will afford a defense to such action; however, the Company will have no obligation to pay for any costs, interest or damages attributable to punitive or exemplary damages.

AUTHORIZED REPRESENTATIVE

DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0030045

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-13

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF SUIT CLAUSE

It is agreed that in the event of the failure of the Company to pay any amount claimed to be due under this policy, the Company at the request of the Insured (or reinsured), will submit to the jurisdiction of any court of competent jurisdiction within the United States of America and will comply with all requirements necessary to give the Court jurisdiction. All matters which arise will be determined in accordance with the law and practice of the Court. In a suit instituted against any one of them under this contract, the Company agrees to abide by the final decision of the Court or of any Appellate Court in the event of an appeal.

Pursuant to any statute of any state, territory or district of the United States of America which makes a provision, the Company will designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured (or reinsured) or any beneficiary arising out of this contract of insurance (or reinsurance).

The officer named below is authorized and directed to accept service of process on behalf of the Company:

THE GENERAL AGENT ON THE DECLARATIONS PAGE, OR

C T CORPORATION SYSTEM

388 STATE STREET, SUITE 420

SALEM, OR 97301

Having accepted service of process on behalf of the Company, the officer is authorized to mail the process or a true copy to:

RECIPIENT NOT REQUIRED

/

AUTHORIZED REPRESENTATIVE

DATE



SCOTTSDALE INSURANCE COMPANY®
COMMERCIAL GENERAL LIABILITY COVERAGE PART
SUPPLEMENTAL DECLARATIONS

Policy No. BCS0030045

Effective Date: 04-21-13

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

Item 1. Limits of Insurance		
Coverage	Limit of Liability	
Aggregate Limits of Liability	\$ <u>2,000,000</u>	Products/Completed Operations Aggregate
	\$ <u>2,000,000</u>	General Aggregate (other than Products/Completed Operations)
Coverage A - Bodily Injury and Property Damage Liability Damage To Premises Rented To You	\$ <u>1,000,000</u>	any one occurrence subject to the Products/Completed Operations and General Aggregate Limits of Liability
	\$ <u>100,000</u>	any one premises subject to the Coverage A occurrence and the General Aggregate Limits of Liability
Coverage B - Personal and Advertising Injury Liability	\$ <u>1,000,000</u>	any one person or organization subject to the General Aggregate Limits of Liability
Coverage C - Medical Payments	\$ <u>NOT COVERED</u>	any one person subject to the Coverage A occurrence and the General Aggregate Limits of Liability
Item 2. Form of Business and Location of Premises		
Form of business: FORENSIC ARCHITECTURAL CONSULTING		
<input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Joint Venture <input type="checkbox"/> Trust <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Organization including a corporation (other than Partnership, Joint Venture or Limited Liability Company)		
Location of All Premises You Own, Rent or Occupy:		
See Schedule of Locations		
Item 3. Forms and Endorsements		
Form(s) and Endorsement(s) made a part of this policy at time of issue:		
See Schedule of Forms and Endorsements		
Item 4. Premiums		
Coverage Part Premium:	\$	10,000.00
Other Premium:	\$	
Total Premium:	\$	10,000.00

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.



SCOTTSDALE INSURANCE COMPANY®

COMMERCIAL GENERAL LIABILITY COVERAGE PART EXTENSION OF SUPPLEMENTAL DECLARATIONS

Policy No. BCS0030045

Effective Date: 04-21-13

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

Prem. No. 001/001	Bldg. No.	Class Code 91580	Exposure INCLUDED	Basis GROSS SALES/NEAREST THOUSAND
Class Description: CONTRACTORS - EXECUTIVE SUPERVISORS **COMPOSITE RATED - ALL OPERATIONS** (PRODUCTS- COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT)				Premises/Operations
				Rate Premium
				INCLUDED INCLUDED
				Products/Comp Operations
				Rate Premium
				INCLUDED INCLUDED
Prem. No. 001/001	Bldg. No.	Class Code 91585	Exposure INCLUDED	Basis GROSS SALES/NEAREST THOUSAND
Class Description: CONTR. - SUBCONTR. WORK - BUILDING **COMPOSITE RATED - ALL OPERATIONS**				Premises/Operations
				Rate Premium
				INCLUDED INCLUDED
				Products/Comp Operations
				Rate Premium
				INCLUDED INCLUDED
Prem. No. 001/001	Bldg. No.	Class Code 92663	Exposure \$2,600,000.	Basis GROSS SALES/NEAREST THOUSAND
Class Description: ENGINEERS OR ARCHITECTS-CONSULTING-NOT **COMPOSITE RATED - ALL OPERATIONS** (PRODUCTS- COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE LIMIT)				Premises/Operations
				Rate Premium
				3.443 10000.00 MP
				Products/Comp Operations
				Rate Premium
				INCLUDED INCLUDED
Prem. No.	Bldg. No.	Class Code	Exposure	Basis
Class Description:				Premises/Operations
				Rate Premium
				Products/Comp Operations
				Rate Premium



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Endorsement Effective Date 04-21-13

Policy No. BCS0030045

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM AND ADVANCE PREMIUM/MINIMUM EARNED CANCELLATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART LIQUOR LIABILITY COVERAGE PART PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

MINIMUM PREMIUM \$ 10,000

Item 5. **Premium Audit** Condition of **SECTION IV—COMMERCIAL GENERAL LIABILITY CONDITIONS, SECTION IV—LIQUOR LIABILITY CONDITIONS** and **SECTION IV—PRODUCTS/COMPLETED OPERATIONS LIABILITY CONDITIONS** is replaced by:

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as Advance Premium is a deposit premium only. At the close of each audit period we will compute the Earned Premium for that period and a billing notice of any Audit Premium due will be sent to the first Named Insured. The due date for the Audit Premium is the date shown as the due date on the bill. If the sum of the Advance Premium and Audit Premiums is greater than the Earned Premium, we will return the excess to the first Named Insured, subject to us retaining a Minimum Premium as shown above in the Schedule, including any premium adjustments made by endorsement to this policy during the policy period.
- c. The first Named Insured must keep records of the information we need for premium computation, and provide us or our representative copies at

such times as we may request. In the event the first Named Insured fails or refuses to allow us or our representative to audit your records, we may unilaterally charge an Audit Premium for the policy period at or up to double the Minimum or Advance Premium, whichever is greater, and such Audit Premium shall be immediately due and payable on notice to the first Named Insured.

- d. If you request cancellation of this Coverage Part or policy, we will retain not less than twenty-five percent (25%) of the Advance Premium, unless otherwise shown below:

_____ %

For purposes of this endorsement, the terms Advance Premium, Audit Premium, Earned Premium and Minimum Premium are defined as follows:

Advance Premium means the premium for this Coverage Part that is stated in the policy declarations and payable in full by the first Named Insured at the inception of the policy.

Audit Premium means the premium for this Coverage Part that is developed by calculating the difference between the Advance Premium and the Earned Premium.

Earned Premium means the premium for this Coverage Part that is developed by applying the rate(s) in the policy to the actual premium basis for the audit period.

Minimum Premium means the lowest premium for which this Coverage Part will be written for the policy period.

AUTHORIZED REPRESENTATIVE

DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT
NO. _____

Attached to and forming a part of

Endorsement Effective Date 04-21-13

Policy No. BCS0030045

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED OPERATIONS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
LIQUOR LIABILITY COVERAGE FORM
HOSPITAL PROFESSIONAL LIABILITY COVERAGE FORM
ERRORS AND OMISSIONS COVERAGE PART
PROFESSIONAL LIABILITY INSURANCE
BEAUTY PARLOR/BARBER SHOP PROFESSIONAL LIABILITY INSURANCE
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM

SCHEDULE

Description of Excluded Operations:
OPERATIONS IN THE STATE OF NEW YORK;
OPERATIONS IN THE STATE OF COLORADO

This insurance does not apply to any **medical incident**, "damages," "bodily injury," "property damage," "personal and advertising injury" or "injury" arising out of the operations shown in the Schedule above.

 AUTHORIZED REPRESENTATIVE

 DATE

Includes copyrighted material of ISO Properties, Inc., with its permission.
Copyright, ISO Properties, Inc., 2004

POLICY NUMBER: BCS0030045

COMMERCIAL GENERAL LIABILITY
CG 20 10 07 04**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
THIS FORM HAS BEEN MANUALLY RE	PER SCHEDULE OF LOCATIONS
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

POLICY NUMBER: BCS0030045

COMMERCIAL GENERAL LIABILITY
CG 20 10 07 04**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
MANUALLY REPLACED DUE TO NAME LENGTH	PER SCHEDULE OF LOCATIONS
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

POLICY NUMBER: BCS0030045

COMMERCIAL GENERAL LIABILITY
CG 20 37 07 04**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
<p>ANY PERSON OR ORGANIZATION WHEN YOU AND SUCH PERSON OR ORGANIZATION HAVE AGREED IN WRITING IN A CONTRACT OR AGREEMENT, EXECUTED PRIOR TO THE "OCCURRENCE" TO WHICH THIS INSURANCE APPLIES, THAT SUCH PERSON OR ORGANIZATION BE ADDED AS AN ADDITIONAL INSURED ON YOUR POLICY</p>	<p>PER SCHEDULE OF LOCATIONS</p> <p>APPLIES TO COMMERCIAL OPERATIONS ONLY.</p>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

POLICY NUMBER: BCS0030045

COMMERCIAL GENERAL LIABILITY
CG 21 16 07 98

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - DESIGNATED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description Of Professional Services:

ALL PROFESSIONAL SERVICES OF ANY INSURED

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any professional services shown in the Schedule, the following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" due to the rendering of or failure to render any professional service.

POLICY NUMBER: BCS0030045

COMMERCIAL GENERAL LIABILITY
CG 21 35 10 01

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - COVERAGE C - MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description And Location Of Premises Or Classification:

ALL PREMISES AND CLASSIFICATIONS

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any premises or classification shown in the Schedule:

1. Section **I** - Coverage **C** - Medical Payments does not apply and none of the references to it in the Coverage Part apply: and

2. The following is added to Section **I** - Supplementary Payments:

- h. Expenses incurred by the insured for first aid administered to others at the time of an accident for "bodily injury" to which this insurance applies.

POLICY NUMBER: **BCS0030045**

COMMERCIAL GENERAL LIABILITY

CG 21 54 01 96

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - DESIGNATED OPERATIONS COVERED BY A
CONSOLIDATED (WRAP-UP) INSURANCE PROGRAM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description and Location of Operation(s):

**ALL LOCATIONS AND OPERATIONS FOR WHICH
YOU ARE COVERED UNDER A CONSOLIDATED,
WRAP-UP OR SIMILAR INSURANCE PROGRAM**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I - Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of either your ongoing operations or operations included within the "products-completed operations hazard" at the location described in the Schedule of this endorsement, as a consolidated (wrap-up) insurance program has been provided by the

prime contractor/project manager or owner of the construction project in which you are involved.

This exclusion applies whether or not the consolidated (wrap-up) insurance program:

- (1) Provides coverage identical to that provided by this Coverage Part;
- (2) Has limits adequate to cover all claims; or
- (3) Remains in effect.

POLICY NUMBER: BCS0030045

COMMERCIAL GENERAL LIABILITY
CG 24 04 05 09

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Person Or Organization:

ANY PERSON OR ORGANIZATION WITH WHOM THE INSURED HAS AGREED TO WAIVE RIGHTS OF RECOVERY, PROVIDED SUCH AGREEMENT IS MADE IN WRITING AND PRIOR TO THE LOSS

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of **Section IV – Conditions:**

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT
NO. _____

Attached to and forming a part of

Endorsement Effective Date 04-21-13

Policy No. BCS0030045

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BODILY INJURY, PROPERTY DAMAGE, PERSONAL
AND ADVERTISING INJURY LIABILITY DEDUCTIBLE ENDORSEMENT
(Per Occurrence or Offense)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Coverage	Amount and Basis of Deductible	
Bodily Injury Liability	\$ 5,000	per occurrence
Property Damage Liability	\$ 5,000	per occurrence
Personal and Advertising Injury Liability (Personal Inj- ury and Advertising Injury)	\$ 5,000	per offense

APPLICATION OF ENDORSEMENT

Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury," "property damage," and "personal and advertising injury," ("personal injury" and "advertising injury") however caused:

NO LIMITATION

applicable to such coverages, and the Limits of Insurance applicable to Each Occurrence or offense for such coverages will be reduced by the amount of such deductible. Aggregate Limits for such coverages shall not be reduced by the application of such deductible amount.

1. Our obligation under the Bodily Injury Liability, Property Damage Liability, Personal and Advertising Injury Liability ("Personal Injury" and "Advertising Injury") Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as

2. The deductible amounts apply to damages and all legal and loss adjustment expenses.
3. The deductible amounts stated in the Schedule above apply:
 - a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
 - b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or
 - c. Under Personal and Advertising Liability ("Personal Injury" and "Advertising Injury") Coverage, to all damages because of "personal injury" or "advertising injury"

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as the result of any one "occurrence" or offense, regardless of the number of persons or organizations who sustain damages because of that "occurrence" or offense.

4. The terms of this insurance, including those with respect to our right and duty to defend any "suits" seeking those damages and your duties in the event of an "occurrence," offense, claim or "suit," apply

Irrespective of the application of the deductible amount.

5. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

AUTHORIZED REPRESENTATIVE

DATE

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SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0030045

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-13

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT TO OTHER INSURANCE CONDITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Condition 4. **Other Insurance of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is deleted in its entirety and is replaced by the following:

4. Other Insurance**a. Primary Insurance**

This insurance is primary except when **b.** below applies.

b. Excess Insurance

This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis:

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
- (2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
- (3) If the loss arises out of the maintenance or use of aircraft, "auto" or watercraft to the extent not subject to Exclusion **g.** of Coverage A (Section I); or

- (4) That is valid and collectible insurance available to you under any other policy.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all other insurance.

If a loss occurs involving two or more policies, each of which states that its insurance will be excess, then our policy will contribute on a pro rata basis.

AUTHORIZED REPRESENTATIVE_____
DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT
NO. _____

Attached to and forming a part of

Policy No. BCS0030045

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-13
12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE BENEFIT LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM**SCHEDULE**

Coverage	Limits of Liability	Premium
Employee Benefits Programs	\$ 1,000,000 Each Employee \$ 1,000,000 Aggregate	INCL

A. The following is added to the SECTION I - COVERAGES:**COVERAGE - EMPLOYEE BENEFITS LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Paragraph E. (SECTION III-LIMITS OF INSURANCE) of this endorsement; and

- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments of the Commercial General Liability Coverage Form.

- b. This insurance applies to damages only if:

- (1) The act, error or omission is negligently committed in the "administration" of your "employee benefit program";
- (2) The act, error or omission takes place in the "coverage territory," and;
- (3) The act, error or omission occurs during the policy period.

2. Exclusions

This insurance does not apply to:

- a. Dishonest, Fraudulent, Criminal Or Malicious Acts

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Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

"Bodily injury," "property damage" or "personal and advertising injury."

c. Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program."

e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any "claim" based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or
- (3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program."

f. Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

h. Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable

effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

B. For the purposes of the coverage provided by this endorsement the following applies to the SUPPLEMENTAL PAYMENTS - COVERAGES A AND B:

1. All references to SUPPLEMENTARY PAYMENTS - COVERAGES A AND B are replaced by SUPPLEMENTARY PAYMENTS - COVERAGES A, B AND EMPLOYEE BENEFITS LIABILITY.

2. Paragraphs 1.b. and 2. of the Supplementary Payments provision do not apply.

C. For the purposes of the coverage provided by this endorsement, Paragraphs 2. and 4. of SECTION II - WHO IS AN INSURED are replaced by the following:

2. Each of the following is also an insured:

a. Each of your "employees" who is or was authorized to administer your "employee benefit program."

b. Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.

c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this endorsement.

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
 - b. Coverage under this provision does not apply to any act, error or omission that was committed before you acquired or formed the organization.
- D. For the purposes of the coverage provided by this endorsement, Paragraph 3. of **SECTION II - WHO IS AN INSURED** does not apply.

- E. For the purposes of the coverage provided by this endorsement, **SECTION III - LIMITS OF INSURANCE** is replaced by the following:

1. Limits Of Insurance

- a. The Limits of Insurance shown in the Schedule of this endorsement and the rules below fix the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) "Claims" made or "suits" brought;
 - (3) Persons or organizations making "claims" or bringing "suits";
 - (4) Acts, errors or omissions; or
 - (5) Benefits included in your "employee benefit program."
- b. The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program."
- c. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee," including damages sustained by such "employee's" dependents and beneficiaries, as a result of:
 - (1) An act, error or omission; or
 - (2) A series of related acts, errors or omissions;
 negligently committed in the "administration" of your "employee benefit program."

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program."

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

- F. For the purposes of the coverage provided by this endorsement, Conditions 2. and 4. of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** are replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or 'Claim' Or 'Suit'

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim." To the extent possible, notice should include:
 - (1) What the act, error or omission was and when it occurred; and
 - (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.
- b. If a "claim" is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
 - (2) Notify us as soon as practicable.
 You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

- (1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis and that applies to an act, error or omission.
- (2) When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.
- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay

for the loss in absence of this insurance; and the total of all deductible and self-insured amounts under all that other insurance.

- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Schedule of this endorsement.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance of all insurers.

- G. For the purposes of the coverage provided by this endorsement, the following definitions are added to the **SECTION V - DEFINITIONS** Section:

1. "Administration" means:

- a. Providing information to "employees," including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b. Handling records in connection with the "employee benefit program"; or
- c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program."

However, "administration" does not include handling payroll deductions.

- 2. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
- 3. "Claim" means any demand, or "suit," made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.

4. "Employee benefit program" means a program providing some or all of the following benefits to "employees," whether provided through a "cafeteria plan" or otherwise:
- a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
 - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
 - c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;
 - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
 - e. Any other similar benefits designated in the Schedule or added thereto by endorsement.
- H. For the purposes of the coverage provided by this endorsement, Definitions 5. and 18. in the **Definitions** section are replaced by the following:
5. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker." "Employee" does not include a "temporary worker."
18. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

 AUTHORIZED REPRESENTATIVE

 DATE

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SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0030045

Endorsement Effective Date 04-21-13

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS SPECIAL CONDITION

For coverage provided in the following endorsements as indicated by an "x" in the box below:

- ☐ Additional Insured—Owners, Lessees Or Contractors—Scheduled Person Or Organization (CG 20 10).
- ☒ Additional Insured—Owners, Lessees Or Contractors—Automatic Status When Required In Construction Agreement With You (CG 20 33).
- ☒ Additional Insured—Owners, Lessees Or Contractors—Completed Operations (CG 20 37).

The insurance provided is amended to be (indicated by an "x" in one box below):

- ☒ Primary and noncontributory.
- ☐ Primary.
- ☐ Noncontributory.

☐ If this box is checked, this endorsement applies only to the following additional insured(s):

 AUTHORIZED REPRESENTATIVE

 DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0030045

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-13

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIOR COMPLETED WORK EXCLUSION—SPECIFIED DATE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following exclusion is added to subsection **2. Exclusions** of **SECTION I—COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

This insurance does not apply to "bodily injury" or "property damage" arising out of, in part or in whole, "your work" completed prior to 04/21/2012.

[If left blank the date applicable shall be the inception date of the policy specified in the Common Policy Declarations, **Item 2. Policy Period.**]

"Your work" will be deemed completed at the earliest of the following times:

- a. When all of the work required by your contract has been completed.

- b. When all of the work to be done at a job site has been completed if your contract calls for work at more than one job site.
- c. When that part of the work done at a job site has been put to its intended use by any person or organization.
- d. When a certificate of completion, or a certificate of occupancy, or other similar document is issued.
- e. When you abandon the work.

Work that may need service, maintenance, correction, repair, or replacement, but which is otherwise complete, will be deemed completed.

AUTHORIZED REPRESENTATIVE_____
DATE

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ENDORSEMENT
NO. _____

Attached to and forming a part of

Policy No. BCS0030045

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-13

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**DESIGNATED CONSTRUCTION PROJECT(S) AGGREGATE LIMIT
SUBJECT TO AN ALL PROJECTS LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Construction Project(s):

ALL PROJECTS

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I—Coverage A**, and for all medical expenses caused by accidents under Section **I—Coverage C**, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. A separate Designated Per Project Aggregate Limit equal to the General Aggregate Limit shown in the Declarations shall apply to each Designated Construction Project.

However, the most we will pay under the insurance provided by this endorsement for all Designated Construction Projects shown in the Schedule above is \$5,000,000, unless otherwise stated below:

\$ _____.

2. The separate Designated Per Project Aggregate Limit provided in **A.1.** above is the most we will pay for the sum of all damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard," and for medical expenses under Coverage **C** regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits."

3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the separate Designated Per Project Aggregate Limit provided in **A.1.** for that particular Designated Construction Project. Such payments

shall not reduce the General Aggregate Limit shown in the Declarations, nor shall they reduce the insurance provided by this endorsement for any other Designated Construction Project.

4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable separate Designated Per Project Aggregate Limit provided in **A.1.** for each Designated Construction Project.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrence" under Section **I—Coverage A**, and for all medical expenses caused by accidents under Section **I—Coverage C**, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed

Operations Aggregate Limit, whichever is applicable; and

2. Such payments shall not reduce any separate Designated Per Project Aggregate Limit provided in **A.1.**
- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-Completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor any separate Designated Per Project Aggregate Limit provided in **A.1.**
- D.** If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or time-tables, the project will still be deemed to be the same construction project.
- E.** The provisions of Section **III—Limits Of Insurance** not otherwise modified by this endorsement shall continue to apply as stipulated.

AUTHORIZED REPRESENTATIVE

DATE



SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0030045

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-13

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LEAD CONTAMINATION EXCLUSION

This endorsement modifies insurance provided under:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This endorsement excludes "occurrences" at or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured; or from the operations of the insured, which result in:

- a. "Bodily Injury" arising out of the ingestion, inhalation or absorption of lead in any form;
- b. "Property Damage" arising from any form of lead;
- c. "Personal Injury" arising from any form of lead;
- d. "Advertising Injury" arising from any form of lead;
- e. **Medical Payments** arising from any form of lead;
- f. Any loss, cost or expense arising out of any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or
- g. Any loss, cost or expense arising out of any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead.

/

AUTHORIZED REPRESENTATIVE_____
DATE



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Policy No. BCS0030045

12:01 A.M., Standard Time

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYERS LIABILITY INSURANCE STOP GAP

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

SCHEDULEStates Where This Insurance Applies WASHINGTON**Limits Of Insurance**

Bodily Injury by Accident	\$ 1,000,000	Each Accident
Bodily Injury by Disease	\$ 1,000,000	Each Employee
	\$ 1,000,000	Aggregate Limit

SCHEDULE

Classification of Operations on which Rate is Based	Code #	Estimated Total Annual Remuneration	Rate per \$100 of Remuneration	Premium
ENGINEERS OR ARCHITECTS - CONSULTING - NOT ENGAGED IN ACTUAL CONSTRUCTION	44444	INCL.	INCL.	INCLUDED

Minimum Premium INCLUDEDDeposit Premium INCLUDEDTotal Premium INCLUDED**A.** The following is added to **Section I—Coverages:****COVERAGE—STOP GAP—EMPLOYERS LIABILITY****1. Insuring Agreement**

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages

because of "bodily injury by accident" or "bodily injury by disease" to your "employee" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages

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to which this insurance does not apply. We may, at our discretion, investigate any accident and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **Section III—Limits Of Insurance**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under this coverage.

The tender of the limits of insurance before judgment or settlement does not relieve us of our duty to defend.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to "bodily injury by accident" or "bodily injury by disease" only if:

(1) The:

- (a) "Bodily injury by accident" or "bodily injury by disease" takes place in the "coverage territory";
- (b) "Bodily injury by accident" or "bodily injury by disease" arises out of and in the course of the injured "employee's" employment by you; and
- (c) "Employee," at the time of the injury, was covered under a worker's compensation fund and subject to a "workers compensation law" of any state listed in the Schedule above; and

(2) The:

- (a) "Bodily injury by accident" is caused by an accident that occurs during the policy period; or
- (b) "Bodily injury by disease" is caused by or aggravated by conditions of employment by you and the injured "employee's" last day of last exposure to the conditions causing or aggravating such "bodily injury by disease" occurs during the policy period.

- c. The damages we will pay, where recovery is permitted by law, include damages:

(1) For:

- (a) Which you are liable to a third party by reason of a claim or "suit" against you by that third party to recover the damages claimed against such third party as a result of injury to your "employee";
- (b) Care and loss of services; and
- (c) Consequential "bodily injury by accident" or "bodily injury by disease" to a spouse, child, parent, brother or sister of the injured "employee";

provided that these damages are the direct consequence of "bodily injury by accident" or "bodily injury by disease" that arises out of and in the course of the injured "employee's" employment by you; and

- (2) Because of "bodily injury by accident" or "bodily injury by disease" to your "employee" that arises out of and in the course of employment, claimed against you in a capacity other than as employer.

2. Exclusions

This insurance does not apply to:

a. Intentional Injury

"Bodily injury by accident" or "bodily injury by disease" intentionally caused or aggravated by you, or "bodily injury by accident" or "bodily injury by disease" resulting from an act which is determined to have been committed by you if it was reasonable to believe that an injury is substantially certain to occur.

b. Fines Or Penalties

Any assessment, penalty, or fine levied by any regulatory inspection agency or authority.

c. Statutory Obligations

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

d. Contractual Liability

Liability assumed by you under any contract or agreement.

e. Violation Of Law

"Bodily injury by accident" or "bodily injury by disease" suffered or caused by any employee while employed in violation of law with your actual knowledge or the actual knowledge of any of your "executive officers."

f. Termination, Coercion Or Discrimination

Damages arising out of coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any "employee," or arising out of other employment or personnel decisions concerning the insured.

g. Failure To Comply With 'Workers Compensation Law'

"Bodily injury by accident" or "bodily injury by disease" to an "employee" when you are:

(1) Deprived of common law defenses; or

(2) Otherwise subject to penalty;

because of your failure to secure your obligations or other failure to comply with any "workers compensation law."

h. Violation Of Age Laws Or Employment Of Minors

"Bodily injury by accident" or "bodily injury by disease" suffered or caused by any person:

(1) Knowingly employed by you in violation of any law as to age; or

(2) Under the age of fourteen (14) years, regardless of any such law.

i. Federal Laws

Any premium, assessment, penalty, fine, benefit, liability or other obligation imposed by or granted pursuant to:

(1) The Federal Employer's Liability Act (45 USC Section 51-60);

(2) The Non-appropriated Fund Instrumentalities Act (5 USC Sections 8171-8173);

(3) The Longshore and Harbor Workers' Compensation Act (33 USC Sections 910-950);

(4) The Outer Continental Shelf Lands Act (43 USC Section 1331-1356);

(5) The Defense Base Act (42 USC Sections 1651-1654);

(6) The Federal Coal Mine Health and Safety Act of 1969 (30 USC Sections 901-942);

(7) The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801-1872);

(8) Any other workers compensation, unemployment compensation or disability laws or any similar law; or

(9) Any subsequent amendments to the laws listed above.

j. Punitive Damages

Multiple, exemplary or punitive damages.

k. Crew Members

"Bodily injury by accident" or "bodily injury by disease" to a master or member of the crew of any vessel or any member of the flying crew of an aircraft.

l. West Virginia Workers Compensation Law, Section 23-4-2 (applicable in West Virginia only).

"Bodily injury by accident" or "bodily injury by disease" caused by any action determined to be of deliberate intention as specified under West Virginia Workers Compensation Law, Section 23-4-2.

B. The Supplementary Payments provisions apply to Coverage—Stop Gap Employers Liability as well as to Coverages **A.** and **B.**

C. For the purposes of this endorsement, Section II—Who Is An Insured, is replaced by the following:

If you are designated in the Declarations as:

1. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
2. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
3. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
4. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

D. For the purposes of this endorsement, Section III—Limits Of Insurance is as follows:

1. The Limits of Insurance shown in the Schedule of this endorsement and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits."
2. Subject to Paragraph **D.4.** of this endorsement, the "Bodily Injury By Accident"—Each Accident Limit shown in the Schedule of this endorsement is the most we will pay for all damages covered by this insurance because of "bodily injury by accident" to one or more "employees" in any one accident.
3. Subject to Paragraph **D.4.** of this endorsement, the "Bodily Injury By Disease"—Each "Employee" Limit shown in the Schedule of this endorsement is the most we will pay for all damages because of "bodily injury by disease" to any one "employee."

4. The Aggregate Limit shown in the Schedule of this endorsement is the most we will pay for all damages covered by this insurance and arising out of "bodily injury by accident" or "bodily injury by disease," regardless of the number of "employees" who sustain "bodily injury by accident" or "bodily injury by disease."
5. The Aggregate Limit in **D.4.** of this endorsement is made a part of, and not in addition to, the General Aggregate Limit of Paragraph **2.** of **Section III—Limits Of Insurance**.

The limits of the coverage apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

E. For the purposes of this endorsement, Condition 2. Duties In The Event Of Occurrence, Claim Or Suit of Section IV—Conditions is deleted and replaced by the following:

2. Duties In The Event Of Injury, Claim Or Suit

- a. You must see to it that we or our agent are notified as soon as practicable of a "bodily injury by accident" or "bodily injury by disease" which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "bodily injury by accident" or "bodily injury by disease" took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the injury, claim, proceeding or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us and assist us, as we may request, in the investigation or settlement of the claim or defense against the "suit";
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury to which this insurance may also apply; and
- (5) Do nothing after an injury occurs that would interfere with our right to recover from others.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

F. For the purposes of this endorsement, Paragraph 4. of **Section V—Definitions** is replaced by the following:

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of

travel or transportation between any places included in **a.** above; or

- c. All other parts of the world if the injury or damage arises out of the activities of a person whose home is in the territory described in **a.** above, but who is away for a short time on your business;

provided the insured's responsibility to pay damages is determined in the United States (including its territories and possessions), Puerto Rico, or Canada, in a suit on the merits according to the substantive law in such territory, or in a settlement we agree to.

G. The following are added to **Section V—Definitions**:

1. "Workers Compensation Law" means the Workers Compensation Law and any Occupational Disease Law of the states listed in the Schedule of this endorsement. This does not include provisions of any law providing non-occupational disability benefits.
2. "Bodily injury by accident" means bodily injury, sickness or disease sustained by a person, including death, resulting from an accident. A disease is not "bodily injury by accident" unless it results directly from "bodily injury by accident."
3. "Bodily injury by disease" means a disease sustained by a person, including death. "Bodily injury by disease" does not include a disease that results directly from an accident.

H. For the purposes of this endorsement, the definition of "bodily injury" under **Section V—Definitions** does not apply.

AUTHORIZED REPRESENTATIVE

DATE

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SCOTTSDALE INSURANCE COMPANY®

ENDORSEMENT

NO. _____

Attached to and forming a part of

Policy No. BCS0030045

Named Insured W.R. CONSTRUCTION ENTERPRISES,

Endorsement Effective Date 04-21-13

12:01 A.M., Standard Time

Agent No. 46709

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

The coverage afforded by this policy does not apply to bodily injury, personal injury or property damage arising out of:

1. Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos; or
2. The use of asbestos in construction or manufacturing any good, product or structure; or
3. The removal of asbestos from any good, product or structure; or

4. The manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos.

The coverage afforded by the policy does not apply to payment for the investigation or defense of any loss, injury or damage or any cost, fine or penalty or for any expense of claim or suit related to any of the above.

AUTHORIZED REPRESENTATIVE

DATE

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
SPECIAL NOTES: 04/01/13
INSURANCE CO : SCOTTSDALE INSURANCE COMP
BUSINESS TYPE: LIMITED LIABILITY COMPANY

Scottsdale Insurance Company
8877 N. Gainey Center Drive
Scottsdale, AZ 85258

DATE : 05/01/13
TRANS TYPE: RENEWAL

POLICY NUM : BCS0030045
CUSTOMER ID : 102229718C
SYSTEM ASSIGN: 497538100000000

AGY/PROD NUMBER: 46709
PROD NAME : SWETT & CRAWFORD

AUD FREQ: ANNUAL
OPERATOR: SMITD3

UND ID :

LOB: GENERAL LIABILITY

EFFECTIVE DATE: 04/21/13

EXPIRE DATE: 04/21/14

ANNIV DATE:

POLICY INFORMATION:

PRD STATE : OR
MUL/STATE : NO

POL. TERM : 365 DAYS
PKG PROGRAM:

* * * * POLICY PREMIUM TOTALS * * * *

COVERAGES	PREMIUM
GENERAL LIABILITY	10,000.00

GRAND TOTAL POLICY PREMIUM	10,000.00
----------------------------	-----------

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
SPECIAL NOTES: 04/01/13
INSURANCE CO : SCOTTSDALE INSURANCE COMP
BUSINESS TYPE: LIMITED LIABILITY COMPANY

Scottsdale Insurance Company
8877 N. Gainey Center Drive
Scottsdale, AZ 85258

DATE : 05/01/13
TRANS TYPE: RENEWAL

POLICY NUMBER: BCS0030045
CUSTOMER ID : 102229718C
SYSTEM ASSIGN: 497538100000000
UND IND :

AGY/PROD NUMBER: 46709
PROD NAME : SWETT & CRAWFORD

AUD FREQ: ANNUAL
OPERATOR: SMITD3

LOB: GENERAL LIABILITY
LOB(GL)SYS RATING VERS: 73.588

EFFECTIVE DATE: 04/21/13

EXPIRE DATE: 04/21/14
RATING TIER:

ANNIV. DATE:

POLICY INFORMATION:

PRD STATE : OR
MUL/STATE : NO

POL. TERM : 365 DAYS
PKG PROGRAM:

* * * * POLICY PREMIUM TOTALS * * * *

COVERAGES	PREMIUM
PREMISES OPERATIONS	8,952.00
STOP GAP	INCLUDED
FREEFORM	INCLUDED
POLICY MINIMUM PREMIUM DIFFERENCE	1,048.00

GRAND TOTAL POLICY PREMIUM 10,000.00

EXPERIENCE - PREMISES/OPERATION BASIC PREMIUMS : 2,602.00

GEN. LIAB. - SIMPLIFIED

PAGE: 1

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
CUSTOMER ID : 102229718C
POLICY NUMBER: BCS0030045
TRANS TYPE : RENEWAL EFFECTIVE: 04/21/13
TRANS SEQ : 001

GENL LIAB POLICY LEVEL INFORMATION

PKG PROGRAM : PKG DESC :
AUDIT FREQ : ANNUAL DEPOSIT % :
POLICY TYPE : OCCURRENCE RETRO DATE : CLMS YR :
RETRO RATED : NO

GENERAL AGGR : 2,000,000 PROD/COMPL AGGR: 2,000,000
PER/ADV INJ : 1,000,000 EACH OCCURRENCE: 1,000,000
FIRE DAMAGE : 100,000 MEDICAL EXPENSE: N/A
COMBINED PREM :

PREM/OPS EXPR: 2,602.00 PRODUCTS EXPR :

STOP GAP LIMIT: 1,000,000
STOP GAP AGGR : 1,000,000

DED SUBLINE : BOTH DED APPLY : BI + PD + PI + AI
DED AMOUNT : 5,000 DED TYPE : PER OCCR.
PREM/OPS DED FCT : PRODUCTS DED FCT :
DED/RETENTION AGG : NO
RISK RETENTION TYPE: RISK RETENTION SUBLINE :
RISK RET AMOUNT : RISK RET AGGREGATE :
RISK RET OPTION :

PREM ILF 1 : PREM ILF 2 : PREM ILF 3:
PROD ILF A : PROD ILF B : PROD ILF C:
SIR TYPE : SIR AGG LMT : SIR OCC LMT:
TERR RT GRP :

EXCLUSIONS: MEDICAL PAYMENTS

GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT

PKG MOD	*	PKG DEV	*	SCHED MOD	*	EXPER MOD	*	COMP EXPNS	*	AGENT EXPNS	*	OTHER MOD	*	SIC TERR FCT	=	RATE MOD
1.0000		1.0000		2.58400		1.0000		1.0000		1.0000		1.0000		1.00000		2.58400

POLICY LEVEL GENL LIAB RATING FORMULAS

CLASS CODE : 44444
STOP GAP

PREMIUM =
INCL

FINAL PREM
INCL

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
CUSTOMER ID : 102229718C
POLICY NUMBER: BCS0030045
TRANS TYPE : RENEWAL EFFECTIVE: 04/21/13
TRANS SEQ : 001

POLICY FREEFORM INFORMATION

**** POLICY FREEFORM COVERAGE INFORMATION ****

CLASS CODE : 73444
CLASS DESCRIPTION : EMPLOYEE BENEFITS LIABILITY
GL SUBLINE CODE : 317
PREMIUM : INCL SURCHARGE APPLY : N SURCHARGE PREMIUM :

EXPOSURE : EXPOSURE INDICATOR :
OCCURRENCE LIMIT : 1000000 AGGREGATE LIMIT : 1000000
DEDUCTIBLE TYPE : DEDUCTIBLE AMT :
RATE DEP FTR : RMF :
FULLY EARNED : FLAT CHARGE : N TERM FACTOR :

**** POLICY FREEFORM RATING FORMULAS ****

EMPLOYEE BENEFITS LI BASE PREMIUM = FINAL PREM
CLASS 73444 0 0

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
 CUSTOMER ID : 102229718C
 POLICY NUMBER: BCS0030045
 TRANS TYPE : RENEWAL EFFECTIVE: 04/21/13
 TRANS SEQ : 001

 GENL LIAB CLASS CODE/LOCATION INFORMATION

GEN. LIAB. - SIMPLIFIED LOC # 001/BLDG # 001/CLASS 91580 INFO

LOC # : 001 BLDG # : 001
 10200 SW GREENBERG RD
 PORTLAND, OR 97221

TERR STATE: OR
 TERR RATE : 501
 TAX DIST :

CLASS CODE : 91580
 CLASS ID : 000

DESC : CONTRACTORS - EXECUTIVE SUPERVISORS **C

PKG PROGRAM :
 PROD WITHDRW LIAB : NO
 PROD EXCLUD : NO
 PREM/OPS DED
 TYPE AMOUNT: CSL 5000

RATE REV DATE: 01/01/13 DEV REV DATE: 10/01/12
 PREM/OPS EXCLUD : NO
 DED APPLIES : TO PREM OPS / PROD BI + PD
 PRODUCTS DED
 TYPE AMOUNT: CSL 5000

INCREASE LIMITS TABLES
 PREM/OPS : 3
 PRODUCTS :

PREM/OPS EXPER BASIC PREM : 1.00
 PRODUCTS EXPER BASIC PREM :

PREM/OPS (A) RATES : NO
 PRODUCTS (A) RATES : NO
 NEW EXPOSURE : INCLUDED
 DEPOSIT PREM : NO
 CLASS EXCLUS:
 CLASS EXTEN :
 STOP GAP :
 STOP GAP AGG:

INTERCOMPANY SALES EXPOS :
 AUDITABLE PRO-RATED EXPOS:

OCC:

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT

PKG MOD *	PKG DEV *	SCHED MOD *	EXPER MOD *	COMP EXPNS *	AGENT EXPNS *	OTHER MOD *	SIC TERR FCT	RATE MOD
1.0000	1.0000	2.58400	1.0000	1.0000	1.0000	1.00000	=	2.58400

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT (PRODUCTS)

PKG MOD *	PKG DEV *	SCHED MOD *	EXPER MOD *	COMP EXPNS *	AGENT EXPNS *	OTHER MOD *	SIC TERR FCT	RATE MOD
1.0000	1.0000	2.58400	1.0000	1.0000	1.0000	1.00000	=	1.0000 2.58400

 CLASS CODE/LOCATION GENL LIAB RATING FORMULAS

CLASS CODE : 91580 DESC : CONTRACTORS - EXECUTIVE SUPERVISORS **C

PREM/OPS FINAL RATE * EXPOSURE =
 INCLUDED. .000

FINAL PREM
 INCLUDED.

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
 CUSTOMER ID : 102229718C
 POLICY NUMBER: BCS0030045
 TRANS TYPE : RENEWAL EFFECTIVE: 04/21/13
 TRANS SEQ : 001

 GENL LIAB CLASS CODE/LOCATION INFORMATION

GEN. LIAB. - SIMPLIFIED LOC # 001/BLDG # 001/CLASS 91585 INFO

CLASS CODE : 91585
 CLASS ID : 000
 CLASS STATE: OR
 TERR RATE : 501
 TAX DIST :

DESC : CONTR. - SUBCONTR. WORK - BUILDING **CO

PKG PROGRAM :
 PROD WITHDRW LIAB : NO
 PROD EXCLUD : NO
 PREM/OPS DED
 TYPE AMOUNT: CSL 5000

PKG DESC :

RATE REV DATE: 01/01/13 DEV REV DATE: 10/01/12
 PREM/OPS EXCLUD : NO
 DED APPLIES : TO PREM OPS / PROD BI + PD
 PRODUCTS DED
 TYPE AMOUNT: CSL 5000

INCREASE LIMITS TABLES
 PREM/OPS : 3
 PRODUCTS : C

PREM/OPS EXPER BASIC PREM : 1.00
 PRODUCTS EXPER BASIC PREM : 1.00

PREM/OPS (A) RATES : YES
 PRODUCTS (A) RATES : YES
 NEW EXPOSURE : INCLUDED
 DEPOSIT PREM : NO
 CLASS EXCLUS:
 CLASS EXTEN :
 STOP GAP :
 STOP GAP AGG:

INTERCOMPANY SALES EXPOS :
 AUDITABLE PRO-RATED EXPOS:

OCC:

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT

PKG MOD *	PKG DEV *	SCHED MOD *	EXPER MOD *	COMP EXPNS *	AGENT EXPNS *	OTHER MOD *	SIC TERR FCT	RATE MOD
1.0000	1.0000	2.58400	1.0000	1.0000	1.0000	1.00000	=	2.58400

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT (PRODUCTS)

PKG MOD *	PKG DEV *	SCHED MOD *	EXPER MOD *	COMP EXPNS *	AGENT EXPNS *	OTHER MOD *	SIC TERR FCT	RATE MOD
1.0000	1.0000	2.58400	1.0000	1.0000	1.0000	1.00000	=	1.0000 2.58400

 CLASS CODE/LOCATION GENL LIAB RATING FORMULAS

CLASS CODE : 91585 DESC : CONTR. - SUBCONTR. WORK - BUILDING **CO

PREM/OPS FINAL RATE * EXPOSURE =
 INCLUDED. .000

FINAL PREM
 INCLUDED.

PRODUCTS FINAL RATE * EXPOSURE =
 INCLUDED. .000

FINAL PREM
 INCLUDED.

NAMED INSURED: WESTERN ARCHITECTURAL ENTERPRI
 CUSTOMER ID : 102229718C
 POLICY NUMBER: BCS0030045
 TRANS TYPE : RENEWAL EFFECTIVE: 04/21/13
 TRANS SEQ : 001

 GENL LIAB CLASS CODE/LOCATION INFORMATION

GEN. LIAB. - SIMPLIFIED LOC # 001/BLDG # 001/CLASS 92663 INFO

CLASS CODE : 92663
 CLASS ID : 000
 CLASS STATE: OR
 TERR RATE : 501
 TAX DIST :

DESC : ENGINEERS OR ARCHITECTS-CONSULTING-NOT

PKG PROGRAM :
 PROD WITHDRW LIAB : NO
 PROD EXCLUD : NO
 PREM/OPS DED
 TYPE AMOUNT: CSL 5000

PKG DESC :

RATE REV DATE: 01/01/13 DEV REV DATE: 10/01/12
 PREM/OPS EXCLUD : NO
 DED APPLIES : TO PREM OPS / PROD BI + PD
 PRODUCTS DED
 TYPE AMOUNT: CSL 5000

INCREASE LIMITS TABLES
 PREM/OPS : 3
 PRODUCTS :

PREM/OPS EXPER BASIC PREM : 2,600.00
 PRODUCTS EXPER BASIC PREM :

PREM/OPS (A) RATES : NO
 PRODUCTS (A) RATES : NO
 NEW EXPOSURE (O/R) : 2,600,000 GROSS SALES/NEAREST THOUSAND
 DEPOSIT PREM : NO
 CLASS EXCLUS:
 CLASS EXTEN :
 STOP GAP :
 STOP GAP AGG:

INTERCOMPANY SALES EXPOS : 2,600,000
 AUDITABLE PRO-RATED EXPOS:

OCC:

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT

PKG MOD	PKG DEV	SCHED MOD	EXPER MOD	COMP EXPNS	AGENT EXPNS	OTHER MOD	SIC TERR FCT	RATE MOD
1.0000	1.0000	2.58400	1.0000	1.0000	1.0000	1.00000		2.58400

 GENERAL LIABILITY RATE MODIFICATION DEVELOPMENT (PRODUCTS)

PKG MOD	PKG DEV	SCHED MOD	EXPER MOD	COMP EXPNS	AGENT EXPNS	OTHER MOD	SIC TERR FCT	RATE MOD
1.0000	1.0000	2.58400	1.0000	1.0000	1.0000	1.00000		2.58400

 CLASS CODE/LOCATION GENL LIAB RATING FORMULAS

CLASS CODE : 92663 DESC : ENGINEERS OR ARCHITECTS-CONSULTING-NOT

PREM/OPS	FINAL RATE * EXPOSURE =	FINAL PREM
	3.443 2600.000	8952.00

 POLICY MINIMUM DIFFERENCE = 1048.00

 STATE TOTAL (OR) = 10,000.00

 POLICY TOTAL = 10,000.00

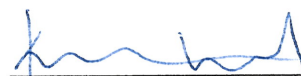
CERTIFICATE OF SERVICE

I, Kristine D. Wood, hereby certify that on the date given below, I caused a true and correct copy of the foregoing COMPLAINT FOR DECLARATORY JUDGMENT to be served upon the following parties via the method indicated below, addressed as follows:

<p>Elizabeth K Rhode Motley Gillaspy & Rhode PLLC 851 SW 6th Ave., Ste. 1350 Portland, OR 97204 erhode@gillaspyrhode.com Attorney for James Hagerman</p>	<p><input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> Hand Delivery</p>
<p>John S. Knowles Brisbee & Stockton LLC 139 NE Lincoln St. PO Box 567 Hillsboro, OR 97123 jsk@brisbeeandstockton.com Attorney for HDL Company, LLC and W.R. Construction Enterprises</p>	<p><input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> Hand Delivery</p>
<p>John R. MacMillan MacMillan Scholz & Marks PC 900 SW 5th Ave., Ste. 1800 Portland, OR 97204 jmacmillan@msmlegal.com Attorney for Eric Hoff</p>	<p><input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail <input type="checkbox"/> Hand Delivery</p>
<p>Stuart K. Cohen Landye Bennett Blumstein LLP 1300 SW 5th Ave., Suite. 3600 Portland, OR 97201 scohen@lbblawyers.com Attorney for Oakmont, LLC dba Berkshire Court Apartments</p>	<p><input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Overnight Mail</p>

	<input type="checkbox"/> Hand Delivery
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DATED this 27th day of September, 2017, at Portland, Oregon.



Kristine Wood